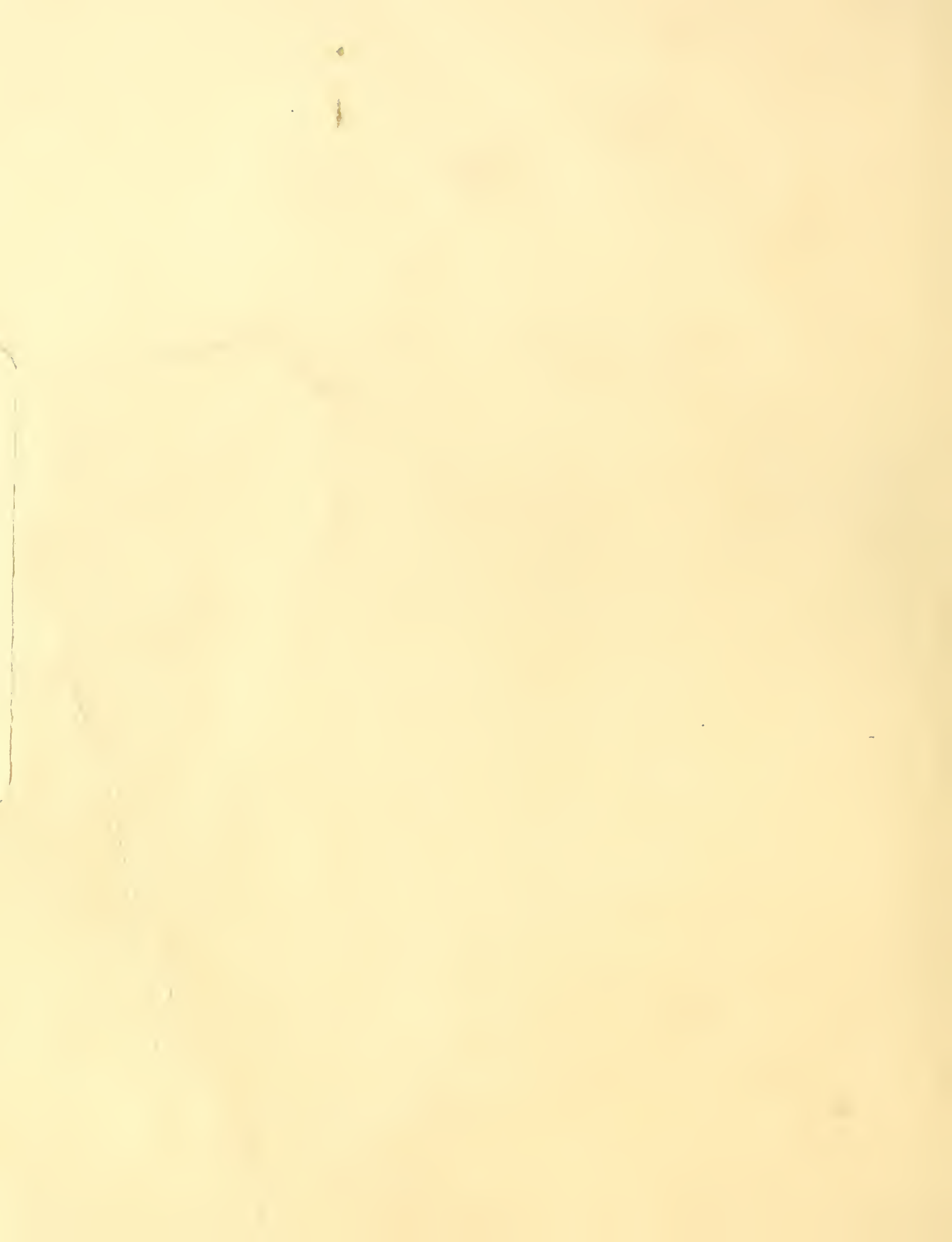


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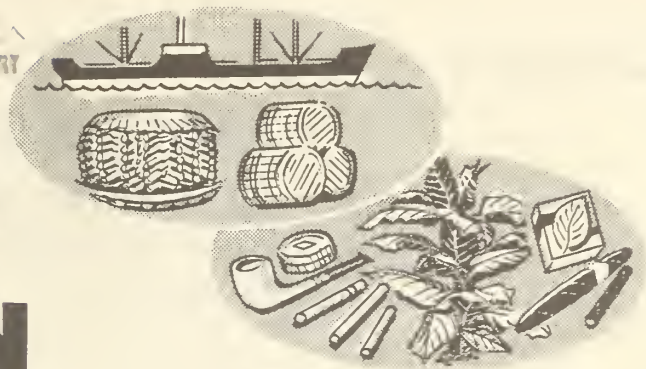
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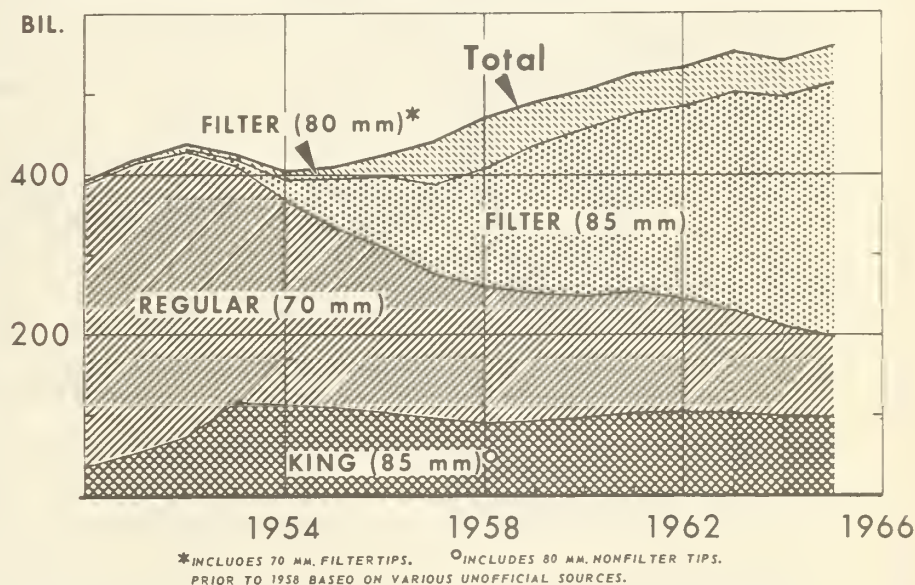
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For Release March 30, A.M.

MARCH 1966

In 1965, U. S. cigarette output at nearly 557-1/2 billion was 3 percent above 1964 and above any previous year. About 64-1/2 percent of the 1965 output consisted of filter tip cigarettes and 35-1/2 percent nonfilter tip cigarettes. In 1964, the proportions were about 61 percent filter tips and 39 percent nonfilter tips; 5 and 6 years ago the output of cigarettes was about evenly divided between nonfilter tips and filter tips. Since 1960, regular size (70 millimeter) nonfilter tips have declined about 50 billion, king size nonfilter tips have held fairly steady, but filter tip cigarettes have risen about 100 billion. (For data see table 3, page 8.)

## CIGARETTE OUTPUT BY KIND AND SIZE



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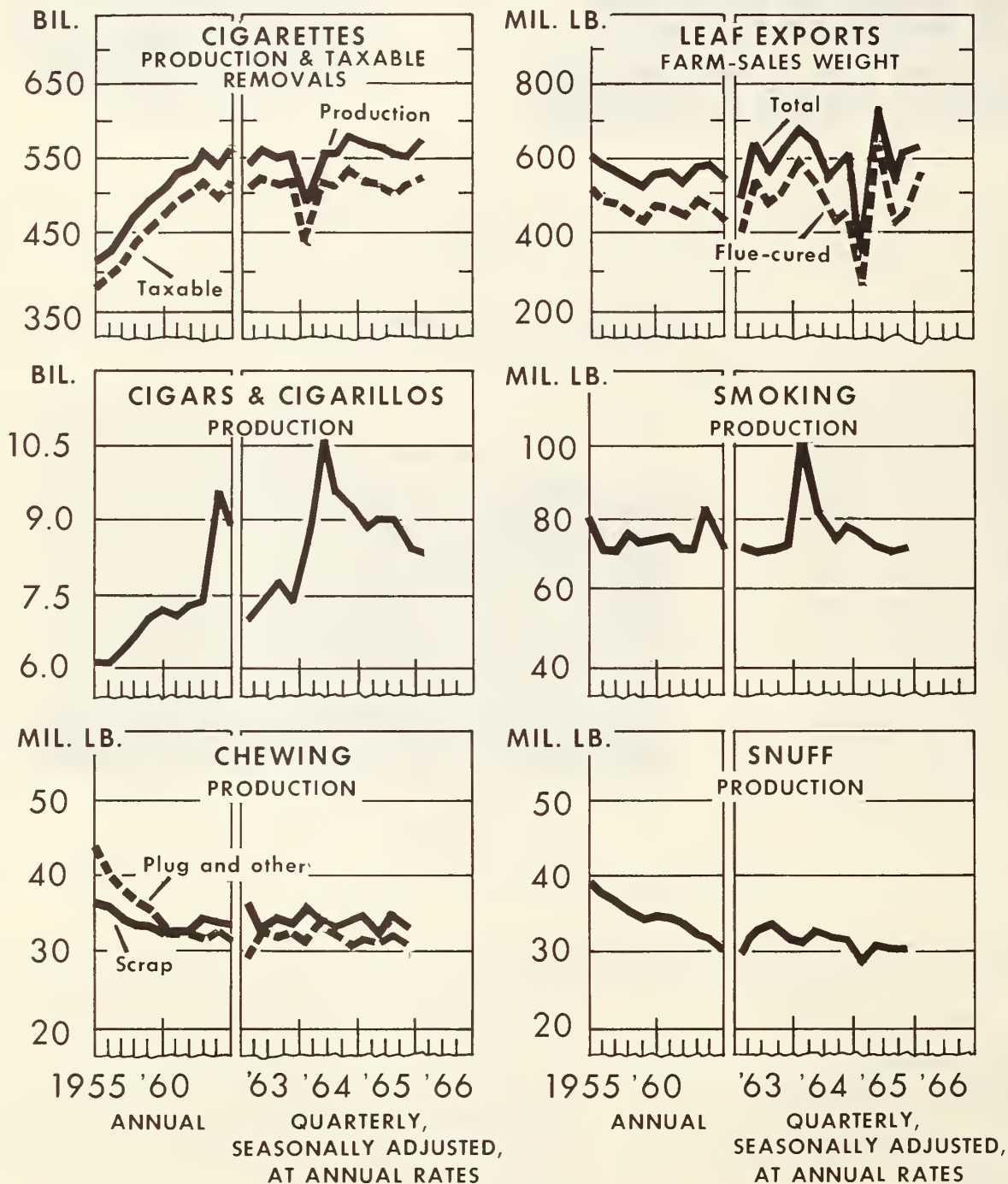
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Tobacco Products  
Per Capita Consumption  
Exports, Imports, Foreign  
Production  
Leaf Supplies and Use

Published quarterly by  
ECONOMIC RESEARCH SERVICE • U. S. DEPARTMENT OF AGRICULTURE

# TOBACCO OUTLETS

## Recent Trends in Manufactured Products and Exports



LAST QUARTER SHOWN PARTLY ESTIMATED.



- - - - -  
T H E T O B A C C O S I T U A T I O N  
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Approved by the Outlook and Situation Board, March 22, 1966

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### SUMMARY

Growers' intentions indicate that this year's acreage of flue-cured tobacco--the leading kind--will be 8 percent above 1965 when it was the smallest in 47 years; flue-cured will be grown for the second year under the acreage-poundage program. The 1966 acreage of burley--ranking next in volume--is indicated to be 13 percent below 1965 and smallest in 39 years; burley will continue under the acreage allotment program since less than the required percentage of growers who voted in the March 10 referendum favored shifting to an acreage-poundage program. (About 57 percent were in favor but the law requires more than two-thirds.) Intended acreage of Maryland tobacco is indicated at  $1\frac{1}{2}$  percent above last year; on February 25, growers voted against acreage allotments applicable to this year's crop. Intended acreages of fire-cured, dark air-cured, cigar filler tobaccos, and Georgia-Florida cigar wrapper are down moderately from last year's harvested acreages, but for the cigar binder and Connecticut Valley cigar wrapper tobaccos only a small decline or no change is indicated.

In 1965, U. S. smokers consumed almost 529 billion cigarettes-- $3\frac{1}{2}$  percent more than in 1964 and more than in any previous year. Cigarette consumption per capita (18 years and over) rose about  $1\frac{1}{2}$  percent over 1964, but was nearly 2 percent under the 1963 peak.

The 1965 total cigarette output in the United States was near 557 $\frac{1}{2}$  billion, about 17 $\frac{1}{2}$  billion above 1964 and a new high. U. S. smokers consumed about 95 percent of total output and most of the other 5 percent was either exported or shipped to Puerto Rico. Of the total output in 1965, filter tip cigarettes comprised 64 $\frac{1}{2}$  percent of the total; in 1964, filter tips accounted for close to 61 percent.

On March 14-15, manufacturers raised cigarette prices. At the manufacturer level, excluding the Federal excise tax and trade discounts from announced prices, the increases varied from 4 $\frac{1}{2}$  to 8 $\frac{1}{2}$  percent on regular-size nonfilter tip cigarettes, and amounted to 8.1 percent on king-size nonfilter tips and filter tips. On March 18, one major company canceled its announced price increases. On March 21-22, five other major companies halved their announced increases; on this basis, prices of their brands (net of Federal excise tax and trade discounts) would be 4 $\frac{1}{4}$  percent higher for regular-size nonfilter tips, and 4.1 percent higher for king-size nonfilter tips and filter tips, than prior to March 14-15. The cancellation and reduction of the price increases originally announced by the above companies were made to cooperate with the Government's effort to stabilize prices. Retail prices for brands increased at the manufacturer level could average about 1 $\frac{1}{2}$  to 3 percent higher than before, depending on whether purchases are made by the carton (10 packs) or single pack.

Consumption of cigars and cigarillos in 1965 exceeded 8.6 billion--down 5 percent from the 1964 record high, but 19 percent above 1963. Consumption of small cigars (about cigarette size and not included in the above total) totaled around 450 million--less than half as much as the exceptional high during 1964.

The 1965 consumption of smoking tobacco in pipes and "roll-your-own" cigarettes probably totaled over 71 million pounds--around 12 million below 1964 but near the level of the previous 2 years. Indicated consumption of tobacco in both pipes and "roll-your-own" cigarettes was down, but probably more so for pipes.

The 1965 production of chewing tobacco, at 65 million pounds, was 2 percent below the 5-year high during 1964; scrap chewing was down only slightly but plug chewing was down 5 percent. Snuff output in 1965, at 29.7 million pounds, was 5 $\frac{1}{2}$  percent below 1964 and a long-time low.

The Federal excise tax of 10 cents per pound on smoking tobacco, chewing tobacco, and snuff was eliminated on January 1. Despite this, the Bureau of Labor Statistics wholesale price indexes for January were unchanged from December for plug chewing and snuff products, but did decline 1 $\frac{1}{4}$  percent for smoking tobacco.

Exports of unmanufactured tobacco in 1965 totaled about 528 million pounds (farm-sales weight)--about a tenth below the 9-year high during 1964 and over 4 percent below the 1954-63 average. A major part of the decline was due

to reduced shipments to the United Kingdom, leading foreign market for U. S. leaf. In the year ending June 30, 1966, exports of flue-cured (usually four-fifths of total tobacco exports) are expected to increase moderately over a year earlier. The United Kingdom and many other countries have banned imports of Rhodesian tobacco following the unilateral declaration of independence there last November. Until the issues between the United Kingdom and Rhodesia are resolved, the tobacco export situation will remain clouded.

Government price support levels for 1966 tobacco eligible for price support are about 2 percent higher than for 1965. The increase results from a rise in the parity index which measures changes in prices paid by farmers. By law, tobacco price support levels are adjusted to reflect changes in this index. Also by law, price support cannot be offered on the 1966 crop of Maryland tobacco since Maryland growers disapproved marketing quotas.

The 1966 production of flue-cured tobacco may be about 10 percent larger than the small 1965 crop--based on intended acreage and average yield per acre and taking into account the trend in yields as modified by the restraints of poundage quotas. The 1966 crop marketings, plus an expected carryover in mid-1966 around 7 percent lower than in mid-1965, may provide a  $1\frac{1}{2}$  percent smaller total supply for 1966-67 than in 1965-66, and about 6 percent reduction from the 1964-65 high.

Assuming an allowance for trend in average yield per acre, the intended acreage of burley would provide a 1966 production about 7 percent below 1965-crop marketings. But particularly intensive efforts by growers to offset the sharp cut in acreage allotments could result in a larger crop than indicated by past trends in yields. The burley carryover into 1966-67 is likely to be down a little. This, together with indicated production, would provide a total 1966-67 supply about 4 percent below 1965-66 and about 5 percent below the 1964-65 high.

The 1965-66 supply of Maryland tobacco is above any previous year. Auctions for the 1965 crop are scheduled to begin April 12 and continue through July 1. Since the 1965 crop was produced under the acreage allotment program, Government price support will be available; the overall support level is 52.8 cents per pound.

Based on the 1966 prospective acreages and average yields with an allowance for trend, the 1966 production of fire-cured tobacco would be about 6 percent larger than 1965 crop marketings; production of dark air-cured tobaccos would be approximately the same as 1965 crop marketings. The 1966 acreage allotments for most farms growing these types are the same as in 1965.

The 1965-66 supply of Pennsylvania cigar filler is at a 4-year low and of Ohio filler at the lowest level since 1958-59. The 1966 intended acreage in Pennsylvania and Ohio is down about 7 percent from 1965.

Arrivals of foreign cigar tobaccos in 1965 dropped 29 percent below the high level of 1964. Sharply less arrived from the Dominican Republic, Colombia,



and Indonesia, and moderately less arrived from Brazil. On the other hand, tobacco arrivals from the Philippine Republic rose substantially.

The 1965-66 total supply of Connecticut Valley binder is at a new low, due to the further drop in Havana Seed type. Based on March 1 intentions, the 1966 acreage is indicated to be the same as that harvested in 1965.

The 1965-66 total supply of Wisconsin tobacco may be a little larger than in 1964-65 due to an increase in the Northern Wisconsin type. Prospective 1966 acreage in Southern Wisconsin is indicated the same as harvested last year, but in Northern Wisconsin may be down 3 percent.

The 1965-66 supply of Connecticut Valley cigar wrapper is second largest on record, but that of Georgia-Florida cigar wrapper is smallest in 7 years. Intended 1966 acreage declined 2 percent in the Connecticut Valley and is down 10 percent in Georgia-Florida, compared with 1965 harvested acreages.

## TOBACCO PRODUCTS

### Cigarettes

In 1965, U. S. smokers (including those overseas) consumed almost 529 billion cigarettes--about  $3\frac{1}{2}$  percent more than in 1964 and more than in any previous year. The number of cigarettes consumed per person, 18 years and over, totaled 4,262 (about 213 packs), up about  $1\frac{1}{2}$  percent from 1964, nearly 2 percent below the 1963 peak, and virtually the same as in 1961 and 1962. (See table 2.) Average consumption per smoker would be higher than the above per capita measure which is obtained by dividing total consumption by total population 18 years and over.

Taxable removals of cigarettes from factories in the latter half of 1965 dipped slightly below the year-earlier period. This probably reflected, at least in part, an adjustment for the fairly large removals in the first half of 1965 when purchasers in a number of States bought ahead of anticipated advances in prices resulting from increased taxes on cigarettes. For this reason also, 1966 data comparisons with year-earlier periods will need to be viewed with caution.

On March 14-15, manufacturers raised cigarette prices. At the manufacturer level, excluding the Federal excise tax and trade discounts from announced prices, the increases varied from  $4\frac{1}{2}$  to  $8\frac{1}{2}$  percent on regular-size nonfilter tip cigarettes, and amounted to 8.1 percent on king-size nonfilter tips and filter tips. On March 18, one major company canceled its announced price increases. On March 21-22, five other major companies halved their announced increases; on this basis, prices of their brands (net of the Federal excise tax and trade discounts) would be  $4\frac{1}{4}$  percent higher for regular-size nonfilter tips, and 4.1 percent higher for king-size nonfilter tips and filter tips, than prior to March 14-15. The cancellation and reduction of the price increases originally announced by the above companies were made to cooperate with the Government's effort to stabilize prices. Retail prices for brands



Table 1.--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption	Shipments to:		Exports
			Overseas forces and other <u>1/</u>	Puerto Rico and U.S. islands <u>2/</u>	
	Billions	Billions	Billions	Billions	Billions
Average: 1950-54	414.2	377.9	18.4	1.9	15.8
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958	470.1	436.4	13.4	2.2	18.1
1959	489.9	453.7	13.7	2.5	19.6
1960	506.9	470.1	14.3	2.5	20.2
1961	528.3	488.1	14.6	2.8	22.2
1962	535.5	494.5	13.9	3.1	24.1
1963	550.6	509.6	14.3	3.2	23.6
1964	539.9	497.4	13.8	3.7	25.1
1965 <u>3/</u>	557.4	511.5	17.3	3.8	23.1

1/ Also includes ship stores and small tax-exempt categories. 2/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands. 3/ Subject to revision.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 2.--Cigarettes and all tobacco products: Consumption per capita, 18 years and over (including overseas forces), and indexes, 1925-65

Year	Cigarettes <u>1/</u>		All tobacco products <u>1/</u>	Cigarettes		All tobacco products
	Number	Pounds		(number)	(pounds)	
				(Indexes--1957-59=100)		
Average:						
1925-29	1,285	3.56	9.68	33	38	83
1930-34	1,389	3.82	8.80	35	41	76
1935-39	1,779	4.81	9.22	45	51	79
1940-44	2,558	6.97	10.88	65	74	94
1945	3,449	9.48	13.02	88	101	112
1946	3,446	9.43	12.58	88	101	108
1947	3,416	9.12	12.11	87	97	104
1948	3,505	9.42	12.36	89	101	106
1949	3,480	9.45	12.22	89	101	105
1950	3,522	9.54	12.29	90	102	106
1951	3,744	9.94	12.60	95	106	108
1952	3,886	10.44	13.11	99	112	113
1953	3,778	10.37	12.95	96	111	111
1954	3,546	9.59	12.12	90	102	104
1955	3,597	9.49	11.99	92	101	103
1956	3,650	9.35	11.65	93	100	100
1957	3,755	9.21	11.44	96	98	98
1958	3,953	9.46	11.73	101	101	101
1959	4,073	9.44	11.73	104	101	101
1960	4,171	9.64	11.82	106	103	102
1961	4,266	9.84	12.00	109	105	103
1962	4,265	9.69	11.80	109	103	102
1963	4,345	9.70	11.78	111	104	101
1964	4,195	9.20	11.54	107	98	99
1965 <u>2/</u>	4,262	9.35	11.55	109	100	99

1/ The weight represents the unstemmed processing-weight equivalent of the tobacco. 2/ Subject to revision.

Table 3.--Cigarettes: Estimated output of nonfilter tip and filter tip by length, and percentage distribution, 1952-65

Year	Total output	Nonfilter tip			Filter tip			
		Total	Regular: 70 mm.	King 85 mm. 1/	Total	Regular: 70 mm.	Long 80 mm.	King 85 mm.
	<u>Bil.</u>	<u>Bil.</u>	<u>Bil.</u>	<u>Bil.</u>	<u>Bil.</u>	<u>Bil.</u>	<u>Bil.</u>	<u>Bil.</u>
1952	435.5	429.9	353.4	76.5	5.6	5.0		0.6
1953	423.1	410.7	297.0	113.7	12.4	6.0		6.4
1954	401.8	364.9	253.3	111.6	36.9	6.9		30.0
1955	412.3	335.3	224.5	110.8	77.0	9.0	6.5	61.5
1956	424.2	307.3	203.9	103.4	116.9	7.1	17.9	91.9
1957	442.3	274.0	180.3	93.7	168.3	8.0	46.1	114.2
1958 <u>2/</u>	470.5	257.5	169.0	88.5	213.0	6.9	54.5	151.6
1959	489.9	251.1	159.0	92.1	238.8	5.5	48.2	185.1
1960	506.9	248.9	151.9	97.0	258.0	3.6	46.4	208.0
1961	528.3	251.2	148.5	102.7	277.1	3.1	47.4	226.6
1962	535.5	243.0	139.8	103.2	292.5	2.4	48.1	242.0
1963 <u>2/</u>	550.8	231.6	128.7	102.9	319.2	2.0	47.1	270.1
1964 <u>3/</u>	539.9	211.2	111.7	99.5	328.7	1.8	42.4	284.5
1965	557.4	198.2	101.8	96.4	359.2	1.5	43.3	314.4
Percentage distribution								
	<u>Pct.</u>	<u>Pct.</u>	<u>Pct.</u>	<u>Pct.</u>	<u>Pct.</u>	<u>Pct.</u>	<u>Pct.</u>	<u>Pct.</u>
1952	100.0	98.7	81.1	17.6	1.3	1.2		0.1
1953	100.0	97.1	70.2	26.9	2.9	1.4		1.5
1954	100.0	90.8	63.0	27.8	9.2	1.7		7.5
1955	100.0	81.3	54.4	26.9	18.7	2.2	1.6	14.9
1956	100.0	72.4	48.1	24.3	27.6	1.7	4.2	21.7
1957	100.0	62.0	40.8	21.2	38.0	1.8	10.4	25.8
1958	100.0	54.7	35.9	18.8	45.3	1.5	11.6	32.2
1959	100.0	51.3	32.5	18.8	48.7	1.1	9.8	37.8
1960	100.0	49.1	30.0	19.1	50.9	.7	9.2	41.0
1961	100.0	47.5	28.1	19.4	52.5	.6	9.0	42.9
1962	100.0	45.4	26.1	19.3	54.6	.4	9.0	45.2
1963	100.0	42.0	23.3	18.7	58.0	.4	8.6	49.0
1964	100.0	39.1	20.7	18.4	60.9	.3	7.9	52.7
1965	100.0	35.5	18.2	17.3	64.5	.3	7.8	56.4

1/ Includes 80 mm. nonfilter tips which were fairly significant in 1956-60, but which have since comprised a very small proportion of the total. 2/ Data shown for 1958 and 1963 are from the Census of Manufactures; total outputs indicated by the Census slightly exceed those reported by the Internal Revenue Service for those two years. 3/ Revised.

General notes: Cigarettes having lengths other than specified in this table were included in the group with which they were most nearly comparable. The distribution of total cigarette output prior to 1958 represents approximate estimates based on unofficial source materials.

increased at the manufacturer level could average about  $1\frac{1}{2}$  to 3 percent higher than before, depending on whether purchases are made by the carton (10 packs) or single pack.

Prior to the recently announced increase, manufacturers' prices for virtually all filter tip brands had remained unchanged for over 10 years, except for increases last April by some companies that were in effect for only a short while. The filter tip cigarette brands, though higher priced than regular-size nonfilter tips, gained a steadily increasing share of the market during the past decade. Since 1955, there had been 2 previous advances in prices of nonfilter tip cigarettes. In April-May 1963, manufacturers' net prices for regular-size nonfilter tips and king-size nonfilter tips were increased 8 and 2 percent, respectively, and nearly 6 years earlier (mid-June 1957) prices of regular-size nonfilter tips and king-size nonfilter tips were increased nearly  $8\frac{3}{4}$  and  $7\frac{3}{4}$  percent, respectively.

By law, since January 1, 1966, packages of cigarettes manufactured for distribution to U. S. smokers are labeled "Caution: Cigarette Smoking May Be Hazardous to Your Health." It will be some time before consumer reaction to this can be accurately appraised. For 1966 as a whole, cigarette consumption seems likely to show some increase due mainly to the continued rise in the population of smoking age.

Total U. S. output of cigarettes in 1965 was about  $557\frac{1}{2}$  billion--about  $17\frac{1}{2}$  billion above 1964 and 7 billion above the previous high of 1963. U. S. smokers consumed about 95 percent of the total, and most of the other 5 percent was either exported to over 100 countries or shipped to Puerto Rico. U. S. exports of cigarettes, at 23 billion (valued at \$105 million) were 2 billion below 1964 when December shipments were unusually large because of an impending tie-up of shipping due to a dock strike. Cigarette exports to Hong Kong--the leading foreign outlet--were up 3 percent from 1964, but those to Spain--second ranking outlet--were down 19 percent. There were increases of 14 and 13 percent in cigarette exports to Netherlands Antilles and Malaysia--third and fourth ranking outlets--but decreases of over a fifth to Kuwait and France--the next ranking outlets. Other sizable outlets taking significantly more cigarettes in 1965 than in 1964 were Paraguay, Ecuador, and Lebanon; but those taking considerably less included Panama, Italy, Belgium, the Netherlands, and Peru. Shipments of cigarettes to Puerto Rico and other U. S. islands probably totaled over  $3\frac{3}{4}$  billion--up a little from 1964 and above any previous year.

#### Cigars, Cigarillos, Small Cigars

U. S. smokers (including those overseas) consumed over 8.6 billion cigars and cigarillos in 1965, down 5 percent from the record 1964 figure, but 19 percent more than in 1963. Cigar and cigarillo consumption per male, 18 years and over, in 1965 numbered about 144, down about 7 percent from 1964 but second highest in more than a third of a century. (See table 6.) During 1966, cigar and cigarillo consumption is expected to show a modest gain over 1965.



Table 4.--Large cigars and cigarillos: Output and consumption for specified periods

Period	Factories in the United States <u>1/</u>			From	Imports for consumption			Total
	Total output	Removals		Puerto		From	Exports	consumption
		Taxable	Tax- exempt	Rico:	Total <u>2/</u>	Philippine		
				taxable		Republic		
	Millions	Millions	Millions	Millions	Millions	Millions	Millions	Millions
Average: 1950-54	5,902	5,818	83	13	15	2	4	5,925
1955	6,004	5,915	82	84	20	5	6	5,095
1956	5,998	5,863	72	93	23	4	9	6,042
1957	6,145	5,995	79	124	26	5	9	6,215
1958	6,469	6,260	87	137	28	4	9	6,503
1959	6,857	6,717	103	148	31	5	4/10	6,989
1960	6,991	6,728	105	198	32	6	4/11	7,052
1961	6,642	6,558	118	354	24	8	4/16	7,038
1962	6,684	6,442	126	483	23	14	4/19	7,055
1963	6,716	6,621	144	526	24	15	33	7,282
1964	8,736	8,122	193	809	28	13	44	9,108
1965 <u>3/</u>	7,893	7,576	180	913	25	9	55	8,639

1/ Includes bonded manufacturing warehouses that made cigars from tobacco imported from a single source country; no warehouses in this category have made cigars since February 1964. 2/ Prior to the embargo on imports from Cuba (effective February 1962) cigars imported from Cuba accounted for 70 percent or more of total cigar imports except in 1961. 3/ Total removals from U. S. factories including bonded manufacturing warehouses, from Puerto Rico, imports, minus exports. 4/ Estimated--excludes little cigars. 5/ Subject to revision.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 5.--Small cigars (weighing not more than 3 pounds per thousand and approximately cigarette size): Output and removals for specified periods

Period	Output	Factory removals		
		Total	Taxable	Tax-exempt
	Millions	Millions	Millions	Millions
Average: 1950-54	64.9	65.0	64.2	0.8
1955	58.7	57.8	57.0	.8
1956	63.6	59.5	58.9	.6
1957	49.0	49.1	48.8	.3
1958	170.0	160.0	159.7	.3
1959	530.1	505.5	481.6	23.9
1960	148.7	158.7	141.9	16.8
1961	158.2	152.9	146.1	6.8
1962	164.0	162.9	155.8	7.1
1963	281.4	272.4	264.2	8.2
1964	973.9	973.8	939.7	34.1
1965 <u>1/</u>	440.7	457.8	434.7	23.1

1/ Subject to revision. Compiled from reports of the Internal Revenue Service.

The number of cigars and cigarillos selling for over  $2\frac{1}{2}$  to 6 cents (nearly half of the total) fell about  $4\frac{1}{2}$  percent in 1965 from 1964, and cigars selling for over 8 cents (nearly two-fifths of the total) declined only 2 percent below 1964. The number selling for over 6 to 8 cents apiece, and  $2\frac{1}{2}$  cents or less dropped 15 and 17 percent, respectively, from 1964.

The 1965 taxable removals of cigars shipped from Puerto Rico to the mainland rose 13 percent above 1964 and accounted for nearly 11 percent of the total. In 1960, cigars from Puerto Rico had accounted for less than 3 percent of the total.

Cigar exports continued to climb in 1965 and totaled 55 million valued at \$1.9 million. The number was one-fourth higher than the record 1964 level. Canada, accounting for one-fifth of total U. S. cigar exports, nearly tripled its previous year's takings. France--second ranking outlet--took nearly 50 percent more, and Iceland--ranking third--took about  $4\frac{1}{2}$  percent more, while Britain--ranking fourth--took nearly 90 percent more than in 1964. Other outlets taking more cigars included Portugal, Norway, and the Bahamas; but fewer than a year earlier went to Panama, Kuwait, Japan, Australia, South Africa, and Egypt.

During 1965, the output of small cigars (weighing 3 pounds or less per 1,000--about cigarette-size) totaled 441 million, a drop of 55 percent from 1964 but still considerably above 1963. Taxable removals of small cigars in the second half of 1965 were only about 3 percent less than the corresponding period of 1964, and were 6 percent ahead of those in the first half of 1965.

### Smoking Tobacco

The 1965 production of smoking tobacco for pipes and "roll-your-own" cigarettes totaled about  $71\frac{3}{4}$  million pounds--13 percent less than the 10-year high in 1964 but above 1962 and 1963. In the first half of 1965, output was nearly 20 percent below the high year-earlier level; in the second half, it was about 6 percent below a year earlier.

An estimate of consumption of smoking tobacco by U. S. smokers (including overseas forces) is derived by adding total removals from domestic factories to taxable removals of imported smoking tobacco and then by subtracting exports. On such a basis, estimated consumption for 1965 amounted to a little over 71 million pounds--nearly  $12\frac{1}{2}$  million less than in 1964 but near the levels of 1962 and 1963. (See table 7.) However, the derived figure probably understates consumption because taxable removals in December 1965 were unusually small. Trade stocks that month likely declined in anticipation of the elimination of the 10-cents-a-pound Federal excise tax, effective January 1, 1966. Production in December 1965 exceeded total factory removals by nearly 1 million pounds, an unusually wide margin.

Consumption of tobacco for pipes and for "roll-your-own" cigarettes both probably fell in 1965, but the decline in pipe tobacco was relatively greater. The number of "roll-your-own" cigarettes smoked in 1965 is estimated to have been around 11 billion, down about 1 billion from 1964. Estimated consumption

Table 6.--Consumption of cigars, smoking tobacco and chewing tobacco per male, and snuff per person, 18 years and over, and indexes for specified periods

Period	Consumption per male 18 years and over				Per person
	Large cigars and		Smoking	Chewing	18 years and over
	cigarillos 1/		tobacco 1/	tobacco 1/	Snuff 1/
	Number	Pounds	Pounds	Pounds	Pounds
Average:					
1925-29	177.4	4.10	4.15	5.03	0.52
1930-34	125.2	2.96	4.40	3.15	.46
1935-39	120.9	2.89	4.39	2.48	.42
1940-44	118.9	2.87	3.67	2.34	.43
1945	112.3	2.71	3.41	2.34	.44
1946	120.4	2.93	2.12	2.21	.40
1947	112.8	2.78	2.06	1.92	.39
1948	113.7	2.80	2.09	1.85	.40
1949	109.3	2.50	2.08	1.71	.40
1950	107.8	2.53	2.03	1.67	.38
1951	110.8	2.56	1.89	1.62	.37
1952	115.1	2.72	1.80	1.58	.36
1953	115.5	2.72	1.62	1.55	.36
1954	112.8	2.64	1.55	1.48	.35
1955	112.8	2.60	1.47	1.44	.35
1956	110.8	2.41	1.30	1.36	.34
1957	113.0	2.37	1.27	1.29	.32
1958	117.3	2.45	1.37	1.23	.31
1959	124.9	2.55	1.31	1.20	.29
1960	124.7	2.42	1.30	1.13	.30
1961	122.9	2.43	1.30	1.13	.29
1962	121.9	2.40	1.24	1.10	.28
1963	124.6	2.39	1.22	1.11	.27
1964	154.4	2.72	1.42	1.11	.26
1965 2/	143.9	2.65	1.26	1.07	.24
1957-59=100					
Average:					
1925-29	150	167	316	406	168
1930-34	106	120	334	254	150
1935-39	102	117	333	200	138
1940-44	100	117	279	189	140
1945	95	110	259	189	144
1946	102	119	161	178	129
1947	95	113	157	155	127
1948	96	114	159	149	130
1949	92	102	158	138	129
1950	91	103	154	134	125
1951	94	104	144	131	121
1952	97	111	137	128	118
1953	98	111	123	125	117
1954	95	107	118	120	115
1955	95	106	112	116	115
1956	94	98	99	110	110
1957	95	97	97	104	105
1958	99	100	104	99	100
1959	105	104	99	97	95
1960	105	98	99	91	97
1961	104	99	99	91	93
1962	103	97	94	89	91
1963	105	97	93	89	86
1964	130	111	108	90	84
1965 2/	122	108	96	86	78

1/ Unstemmed weight equivalent for cigars and finished-product weight for all others.

2/ Subject to revision.



of smoking tobacco per male, 18 years and over, was about 1-1/5 pounds (product weight) in 1965--16 percent less than in 1964 and 19 percent less than 10 years ago.

In January 1966, the wholesale price index for smoking tobacco published by the Bureau of Labor Statistics declined about  $1\frac{1}{4}$  percent below the previous month's level. Several manufacturers reduced their prices by the amount of the former 10 cents-a-pound Federal excise tax, but the extent to which this reduction was passed on is not known.

Taxable removals of imported smoking tobacco in 1965 totaled a little more than 2 million pounds, down around a fourth from the previous year's record but substantially above other recent years. Imported smoking tobacco made up about 3 percent of total U. S. consumption of smoking tobacco in both 1965 and 1964. The Netherlands furnished 77 percent of the smoking tobacco imported in 1965, the United Kingdom 11 percent, and Denmark 5 percent. The average values of imports were as follows (per pound, excluding the  $17\frac{1}{2}$ -cent duty): The Netherlands, \$1.15; United Kingdom, \$2.73; Denmark, \$1.03; all sources, \$1.31.

Exports of packaged smoking tobacco in 1965 totaled 1,133,000 pounds, valued at \$1 $\frac{1}{2}$  million. The quantity shipped was 20 percent below the high level of 1964 but was otherwise largest since 1947; the value was 27 percent below 1964. Exports to Ecuador were substantial, in contrast with a negligible quantity in 1964. But sharply less than a year earlier was exported to Canada, Japan, Denmark, West Germany, Australia, Iceland, and Hong Kong; and moderately less went to Switzerland and Sweden. A little more than a year earlier went to Belgium and moderately more went to Italy and France.

#### Smoking Tobacco in Bulk for Export

The smoking tobacco in bulk export category includes specially prepared cigarette tobacco, cut or granulated tobacco, partially processed blended tobacco, and shredded tobacco. These exports have trended upwards, and in 1965 reached a record high of 13.4 million pounds, valued at \$13.8 million. The quantity was 9 percent and the value 11 percent above 1964. Switzerland accounted for over a fourth of the total quantity, and increased takings 10 percent from 1964. Exports to Mexico and Finland also increased substantially, and those to Spain were up moderately; each of these 3 countries took more than 1 million pounds. Larger exports than a year earlier also went to France, Peru, and Panama. Exports declined, however, to Italy, Dominican Republic, Bolivia, Haiti, Ecuador, and Australia.

#### Chewing Tobacco

Chewing tobacco output in 1965 totaled about 65 million pounds--nearly 2 percent below the 5-year high produced in 1964. Production of scrap chewing, which comprised 52 percent of all chewing tobacco, was only slightly below the previous year. But plug chewing--38 percent of total chewing--was down about

Table 7.--Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods

Period	Output	Removals		Imports, taxable <u>1/</u>	Exports, in packages	Total consump- tion <u>2/</u>	Exports, smoking tobacco in bulk <u>3/</u>
		Taxable	Tax- exempt				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1950-54	95.2	92.0	3.2	0.1	0.6	94.7	3.0
1955	80.0	77.7	2.3	.1	.5	79.6	6.2
1956	71.5	69.9	1.7	.1	.6	71.1	5.7
1957	70.5	68.7	1.7	.2	.6	70.0	4.4
1958	76.0	74.0	2.0	.4	.7	75.7	7.5
1959	73.2	71.2	1.9	.7	.7	73.1	8.5
1960	73.8	71.3	2.3	.9	.9	73.6	7.7
1961	74.2	71.4	2.5	1.3	.8	74.4	9.0
1962	70.9	68.3	2.6	1.5	.9	71.5	8.6
1963	70.4	68.0	2.2	1.6	.9	70.9	9.8
1964	82.5	79.0	3.4	2.7	1.4	83.7	12.3
1965 <u>4/</u>	71.8	67.3	3.0	2.1	1.1	71.3	13.4

1/ Prior to July 1962, data are from Census import classification "tobacco manufactures, n.e.s."

2/ Total removals plus taxable imports minus exports in packages. 3/ Includes specially-prepared cigarette tobacco, cut or granulated tobacco, partially-processed blended tobacco and shredded tobacco. Virtually all of the smoking tobacco in this export class is not included in Internal Revenue Service output figures for smoking tobacco. 4/ Subject to revision.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 8.--Chewing tobacco and snuff: Output by category for specified periods

Period	Chewing tobacco					Snuff
	Plug	Twist	Fine-cut	Scrap	Total	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1950-54	38.9	4.9	2.8	38.2	84.8	39.2
1955	36.5	4.5	3.0	36.0	80.0	39.2
1956	33.0	4.3	2.9	35.5	75.7	37.7
1957	31.6	4.0	2.8	34.0	72.4	36.1
1958	29.6	3.8	2.9	33.0	69.3	34.8
1959	28.6	3.6	3.0	33.0	68.2	34.3
1960	26.4	3.4	3.1	32.0	64.9	34.6
1961	26.0	3.3	3.2	32.7	65.2	33.8
1962	26.0	2.9	3.3	32.5	64.7	33.2
1963	24.9	2.9	3.3	34.2	65.3	31.8
1964	25.9	2.8	3.5	34.0	66.2	31.4
1965 <u>1/</u>	24.7	2.8	3.7	33.9	65.1	29.7

1/ Subject to revision.

Compiled from reports of the Internal Revenue Service.

$1\frac{1}{4}$  million pounds or nearly 5 percent. Twist and fine-cut together made up the remaining 10 percent of total chewing; production of twist was about the same as the previous year, but fine-cut was up moderately.

Most of the chewing tobacco output is consumed domestically. In 1965, taxable removals of the combined chewing tobaccos--a measure of domestic consumption--were about  $2\frac{1}{2}$  percent below the previous year, due to a drop in plug chewing. The 1965 consumption of chewing tobacco, per male 18 years and over, was about 5 percent below that of 1964 but was about a fourth less than 10 years ago. (See table 6.)

According to the Bureau of Labor Statistics wholesale price index, manufacturers' prices of plug chewing tobacco through January 1966 remained unchanged since October 1963.

Chewing tobacco exports--mainly twist and plug--have trended downward in recent years and in 1965 totaled 389,000 pounds--6 percent less than in 1964 and lowest on record; value of exports was \$386,000, down 2 percent. Australia--leading outlet--took 6 percent less, and Panama and Netherlands Antilles also reduced takings below a year earlier. Exports to the French Pacific Islands were about the same, while increased quantities went to the Bahamas and to the Trust Territory of the Pacific Islands.

### Snuff

Snuff production in 1965, at 29.7 million pounds, declined about  $1\frac{3}{4}$  million pounds or  $5\frac{1}{2}$  percent from 1964 to a long-time low. Snuff production has trended downward during the past 10 years; the 1965 output was  $9\frac{1}{2}$  million pounds or nearly a fourth below the 1955 level.

Virtually all U. S. snuff output is consumed in this country. In 1965, taxable removals--the measure of domestic consumption--were about 6 percent less than in the previous year. Per capita consumption per person 18 years and over in 1965 was about 8 percent below 1964 and more than 30 percent below 10 years earlier.

According to the Bureau of Labor Statistics wholesale price index, manufacturers' prices of snuff through January 1966 remained unchanged since March 1964.

### New Quarterly Report on Smoking and Chewing Tobacco and Snuff to be Published by USDA

With elimination of the 10-cents-a-pound Federal excise tax on smoking tobacco, chewing tobacco, and snuff, effective January 1, 1966, the Internal Revenue Service no longer collects and publishes statistics on monthly production and factory removals of these products. December 1965 was the last month for which such data were collected.



To provide similar continuing statistical series--important to analyses of tobacco consumption trends and leaf requirements--the U. S. Department of Agriculture will publish quarterly data on production and sales (domestic and for overseas shipment) of these products, based on reports from manufacturers. The smoking tobacco category will be broken down into 3 subcategories: Pipe tobacco, granulated or sack, and long cut or cigarette cut. The other products will be the same as formerly reported in Internal Revenue Service statistics: Plug, twist, fine-cut, and scrap chewing tobaccos and snuff. The first USDA report, expected to be released around May 1, will cover the January-March 1966 quarter. Copies of the new report may be obtained from the Tobacco Division, Consumer and Marketing Service, U. S. Department of Agriculture, Washington, D. C. 20250.

#### EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

Exports of unmanufactured tobacco in 1965 totaled 468 million pounds (equivalent to about 528 million, farm-sales weight)--9 percent below the 9-year high of 1964. The declared value of 1965 exports was \$383 million, down 7 percent from 1964's record \$413 million. During 1954-63, annual exports averaged 492 million pounds, valued at \$360 million.

The decline in the 1965 volume was due mainly to reduced shipments to the United Kingdom, leading foreign market for U. S. leaf. Also, the dock strike early in 1965 probably resulted in anticipatory shipments in December 1964, since that month's total was unusually high.

Flue-cured made up 75 percent of total 1965 unmanufactured tobacco exports, compared with 77 percent in 1964 and about 80 percent in each of the preceding 3 years. Burley comprised around 10 percent, about the same proportion as in 1964, and exports of fire-cured represented 6 percent, up from 5 percent in the previous year.

Exports of flue-cured dropped 10 percent, with smaller shipments to the United Kingdom accounting for the major share of the decline. Less than the previous year also went to West Germany, Ireland, and Sweden, but countries increasing their takings included Japan, Australia, Egypt, Denmark, and Thailand. Exports to the Netherlands and Belgium were approximately the same as in 1964.

Burley exports in 1965 declined 15 percent from the previous year's record. None was reported exported to Sweden, contrasted with over 7 million pounds (export weight) in 1964. Less than a year earlier also went to West Germany, Mexico, Portugal, Belgium, Thailand, and Finland; but increased exports went to Italy, the Netherlands, Denmark, and Hong Kong.

Exports of Maryland declined 18 percent. Kentucky-Tennessee fire-cured exports were up moderately, while those of Virginia fire-cured jumped 41

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1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

Table 9.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

Country and type	(Declared weight)						1965 as a percentage of 1964
	Average 1957-61	1962	1963	1964 1/	1965 1/		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.	
Flue-cured	400.3	375.4	403.4	395.6	350.6	89	
Burley	30.3	40.1	44.5	53.0	45.3	85	
Maryland	12.5	10.9	10.7	12.3	10.1	82	
Va. fire- and sun-cured	4.9	4.6	5.2	4.6	6.5	141	
Ky. and Tenn. fire-cured	20.7	17.3	14.2	20.8	21.6	104	
Green River	1.0	.6	.6	1.2	.6	50	
One Sucker	1.4	.5	.5	.6	.9	150	
Black Fat, etc.	4.6	3.7	4.2	3.7	3.9	105	
Cigar wrapper	4.2	4.8	4.6	5.2	3.9	75	
Cigar binder	2.8	.9	.8	1.6	2.5	156	
Cigar filler	.5	.1	.4	.6	.7	117	
Perique	.1	.2	.2	.2	.4	200	
Stems, trimmings, and scrap	5.9	9.8	16.1	15.1	21.1	140	
Total	489.2	468.9	505.5	514.5	468.1	91	
Country of destination							
United Kingdom	159.2	97.0	139.0	125.2	92.8	74	
France	6.8	4.6	5.6	7.2	5.8	81	
Belgium	17.6	17.3	16.3	17.5	18.8	107	
Netherlands	29.9	28.1	29.7	33.1	37.2	112	
West Germany	71.5	80.6	85.3	85.5	80.9	95	
Portugal	6.9	7.6	6.0	8.0	3.7	46	
Denmark	13.4	13.8	13.8	12.3	15.1	123	
Ireland	12.1	21.6	14.5	11.2	10.6	95	
Switzerland	12.2	13.0	11.5	15.0	12.6	84	
Norway	7.4	8.4	7.3	7.2	6.0	83	
Sweden	14.6	15.1	11.0	20.8	5.9	28	
Italy	8.1	18.2	12.0	9.5	8.4	88	
Thailand	10.5	7.7	9.1	11.1	11.8	106	
Australia	23.4	22.0	18.1	14.2	19.7	139	
India	2.0	2.4	1.5	.6	0	---	
Pakistan	1.5	2.1	2.3	.8	1.9	238	
New Zealand	6.2	4.7	2.9	3.8	3.0	79	
Philippine Republic	3.5	2/	2/	.9	.8	89	
Indonesia	3.8	2.7	1.2	0	0	---	
Egypt	9.3	12.4	15.2	15.2	18.4	121	
Japan	13.8	24.1	28.7	34.9	36.6	105	
Spain	3.8	.3	1.2	3.1	3.7	119	
Other countries	51.7	65.3	73.3	77.4	74.4	96	
Total	489.2	468.9	505.5	514.5	468.1	91	

1/ Preliminary.

2/ Less than 50,000 pounds.

Compiled from publications and records of the Bureau of the Census.

percent. Exports of One Sucker gained appreciably, those of Green River were only about half the year-earlier level, while exports of Black Fat rose some. Cigar leaf exports declined a little; a drop in cigar wrapper--particularly the Georgia-Florida type--more than offset gains in cigar binder and filler.

The United Kingdom, the principal overseas market for U. S. leaf, slashed takings 26 percent but still accounted for a fifth of the total in 1965. West Germany, second ranking market, reduced takings 5 percent. Exports to the Netherlands, ranking third, and to Japan, ranking fourth, increased 12 and 5 percent, respectively. Australia, fifth ranking market in 1965, boosted takings 39 percent; 1965 exports, however, were almost a sixth below the 1957-61 average. Other markets taking more U. S. tobacco in 1965 than the year before included Belgium, Egypt, Denmark, and Thailand; Switzerland and Ireland took less.

In 1965, exports of tobacco for foreign currencies under Title I, P. L. 480, totaled about 30 million pounds, down more than a fifth from 1964, and were valued at about \$19 $\frac{1}{2}$  million. Recipient countries and quantities taken were as follows: Egypt, 14.0 million pounds; South Vietnam, 7.6 million; Republic of the Congo, 6.0 million; Pakistan, 1.9 million; and Israel, 0.2 million. Under present legislation, the expiration date for Title I is December 31, 1966. The President has recommended and the Congress is presently considering a new Food-for-Freedom Act. Bills under consideration provide for sale of agricultural commodities for dollars on credit terms or for foreign currencies, but place emphasis on assuring a transition from foreign currency sales to sales for dollars.

Title III, P. L. 480, authorizes sales of surplus agricultural commodities for foreign-produced materials, goods, equipment, and services. In 1965, exports of tobacco under this barter program jumped to 55 million pounds from 19 $\frac{1}{2}$  million the previous year, and were valued at \$39 million. The volume was the largest in 4 years. (See table 10.) Principal countries receiving barter tobacco were United Kingdom, 15.6 million pounds; Japan, 14.7 million; West Germany, 6.9 million; Egypt, 4.0 million; Portugal, 2.8 million; Spain, 2.3 million; the Netherlands, 2.1 million; Taiwan, 1.6 million; Finland, 1.2 million; and Hong Kong, 1 million.

Title IV, P. L. 480, authorizes sales under long-term dollar credit. In 1965, Title IV sales of tobacco totaled a little under 3 million pounds, moderately less than in each of the 2 preceding years, and were valued at \$2 $\frac{1}{2}$  million. The biggest share went to Taiwan, and the rest to Iceland, Ecuador, Ryukyu Islands, Dominican Republic, and Sierra Leone.

Combined exports of tobacco under P. L. 480 programs totaled 87 million pounds--about 18 $\frac{1}{2}$  percent of all unmanufactured tobacco exports. Adding the estimated 2 million pounds exported under Agency for International Development (AID) programs resulted in a total of 89 million pounds exported under specified Government-financed programs, 19 percent of all unmanufactured tobacco exports. This compares with 13 percent the previous year and is the largest proportion since 1961 (table 10).



Table 10.--Tobacco exports under Government-financed programs, 1955-65

Calendar year	Public Law 480				Quantity (export weight)				Value				Exports under Government-financed programs as percentage of total exports	
	Title I, foreign currency sales	Title III, barter sales	Title IV, long-term dollar credit sales	Total	Mutual Security and A.I.D. programs	Total under Government-financed programs	Total unmanufactured tobacco exports							
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Pct.	
1955	43.8	---	---	43.8	2.3	46.1	540.3						8.5	
1956	71.2	---	---	71.2	4.3	75.5	510.4						14.8	
1957	35.8	---	---	35.8	---	35.8	501.0						7.1	
1958	37.9	0.5	---	38.4	2.6	41.0	481.8						8.5	
1959	56.5	19.5	---	76.0	5.5	81.5	465.6						17.3	
1960	31.2	27.3	---	58.5	22.8	81.3	496.1						16.4	
1961	26.0	61.3	---	87.3	20.5	107.8	501.0						21.5	
1962	28.5	50.3	0.4	79.2	.4	79.6	468.9						17.0	
1963	35.6	14.9	3.4	53.9	---	53.9	505.5						10.7	
1964	37.9	19.5	3.5	60.9	4.3	65.2	514.5						12.7	
1965 2/	29.7	54.9	2.9	87.5	2.1	89.6	468.1						19.1	
1955	31.3	---	---	31.3	0.6	31.9	356.2						9.0	
1956	48.5	---	---	48.5	2.3	50.8	333.5						15.2	
1957	26.6	---	---	26.6	---	26.6	359.1						7.4	
1958	28.3	0.4	---	28.7	1.5	30.2	354.4						8.5	
1959	41.6	11.3	---	52.9	3.5	56.4	346.2						16.3	
1960	22.0	21.0	---	43.0	17.8	60.8	379.3						16.0	
1961	20.4	35.2	---	55.6	16.5	72.1	390.9						18.4	
1962	22.2	31.1	0.6	53.9	.3	54.2	373.4						14.5	
1963	25.1	9.1	2.9	37.1	---	37.1	403.1						9.2	
1964	24.3	11.9	3.7	39.9	2.8	42.7	412.9						10.3	
1965 2/	19.4	38.8	2.5	60.7	1.7	62.4	382.7						16.3	

1/ Title III, P. L. 480 broadened the authority of the barter program, which is conducted under several legislative authorizations. 2/ Preliminary; subject to revision. Total unmanufactured tobacco exports include COC credit sales (credits for relatively short periods); these sales amounted to about 1 million pounds in 1963 and 300,000 pounds in 1965.

Most of the tobacco exports made under the export payments program (see Tobacco Situation, September 1965, pp. 25-26, and March 1965, p. 20) were made in 1962-64. In 1965, by May 31--the final date for making shipment under the program--about 3.3 million pounds of tobacco were exported, consisting of 2.5 million pounds of flue-cured, and 0.8 million pounds, other unmanufactured tobacco.

In the year ending June 30, 1966, U. S. exports of unmanufactured tobacco may total around 510 million pounds--about 5 percent more than the 484 million shipped in fiscal 1965. Exports of flue-cured in the current marketing year are expected to increase moderately over those in 1964-65.

#### Major Foreign Countries

##### Exporting Tobacco

Official estimates of the Rhodesian flue-cured crop harvested in early 1966 are not available. Following recent rains the crop is unofficially estimated at 200 to 220 million pounds, compared with 233 million in 1965 and the record 300 million in 1964. The crop was to sell at closed auctions, scheduled to start March 29. A tobacco corporation, established by the Rhodesian Government, is responsible for the crop to be marketed this year. A reserve minimum price (support price) has been established for each grade, and buyers may purchase only at such prices or above. A grower, however, is credited with the reserve price only, regardless of whether his tobacco is purchased by a private firm or is taken over by the corporation at the reserve price. At the end of the season, all proceeds above the reserve will be shared by growers on an equitable basis.

Data on flue-cured exports from Rhodesia are available only through October--prior to that country's unilateral declaration of independence (November 11, 1965). In the first 10 months of 1965, Rhodesia's flue-cured exports amounted to 207 million pounds (dry-weight)--about 12 percent above the previous year. Exports to the United Kingdom, amounting to about 89½ million pounds, were slightly under the previous year's level. Other Commonwealth destinations--principally Malaysia, Hong Kong, Australia, New Zealand, and Persian Gulf States--accounted for about a tenth of the total. About 68 million pounds went to continental West European countries, chiefly the following: West Germany, 34.7 million pounds; the Netherlands, 14.0 million; Belgium, 5.5 million; Austria, 4.5 million; France, 2.5 million; Switzerland, 2.0 million; and Denmark, 1.8 million. About 14¾ million pounds were exported to Japan, nearly double year-earlier takings, and 1 million pounds went to Taiwan, substantially more than a year ago.

Besides the United Kingdom, other markets that have banned further purchases of Rhodesian tobacco, following its unilateral declaration of independence, include the following: Australia, Malaysia, New Zealand, Hong Kong, Singapore, Nigeria, Japan, the Netherlands, Belgium, France, Norway, Denmark, Sweden, Italy, Egypt, Ireland, Austria, Switzerland, and the USSR. West Germany is permitting importation of tobacco purchased from the 1965 crop until June 1, but will not admit purchases from the crop harvested in early 1966.

Canada's 1965 flue-cured crop is estimated at about 156 million pounds--about 9 percent above the 1964 crop, which was smallest in 9 years. Over nine-tenths of the crop is produced in Ontario, where auctions for the 1965 crop began November 11 and ended March 3. A total of 154 million pounds were sold at an average price of 66.0 Canadian cents per pound, highest on record. In the 1964 season, a total of 136½ million pounds were sold, at an average price of 56.7 Canadian cents.

In January-October 1965, Canada exported 37 million pounds of flue-cured tobacco--about a fifth less than a year earlier. Over 80 percent went to the United Kingdom, which reduced takings a little. About 1 million pounds were exported to Hong Kong--substantially more than a year earlier--and quantities ranging from about 300,000 to 500,000 pounds were exported to Belgium, the Netherlands, West Germany, Norway, and Denmark. None was exported to the Soviet Union, Czechoslovakia, or Japan, each of which had received substantial quantities a year earlier.

India's 1965 flue-cured crop, placed at 225 million pounds, was 11 percent below the 1964 record but exceeded any other previous year. Its flue-cured exports in January-October 1965, at 110 million pounds, were about an eighth below the record rate a year earlier. The Soviet Union moderately reduced takings to 57 million pounds, while the United Kingdom took 33½ million, about the same as a year earlier. Other more important markets for Indian flue-cured were Egypt, Belgium, East Germany, Japan, the Netherlands, and Poland, each of which took a quantity ranging from 1 to about 2½ million pounds.

Oriental tobacco production in Turkey in 1965 has been estimated at about 262 million pounds--nearly a third smaller than the 1964 record crop and about a tenth below the 1963 crop.

The 1965 production of oriental tobacco in Greece is estimated at about 245 million pounds, 16 percent less than the peak in 1964 and 12 percent less than 1963. The production goal for 1966 is near the 1965 level. To prevent overproduction, a system based on marketing quotas replaces one based on acreage allotments. Unmanufactured tobacco exports in 1965 are placed at a record 156 million pounds--slightly more than the previous year. West Germany took approximately 30 percent of the total and the United States, approximately 15 percent. Exports to West Germany increased moderately, but those to the United States dropped more than a third. Considerably more than in 1964 went to the Soviet Union, Poland, Japan, Egypt, East Germany, and Czechoslovakia, but less went to Italy. Exports to France showed relatively little change.

Internal duties on tobacco imported into the European Economic Community (consisting of West Germany, France, Italy, Belgium, the Netherlands, and Luxembourg) are now down to 30 percent of those in effect in 1957. Duties levied on tobacco moving in intra-Community trade are far below those on imports from the United States and other outside countries. (See March 1965 Tobacco Situation, page 24.) As an associate member of EEC, Greece receives the reduced rate on



its tobacco, and has requested a further reduction of 10 percentage points to bring internal duties to 20 percent of the original 1957 levies. Under an association agreement between EEC and Turkey (effective in December 1964), Turkey receives an annual quota for shipment to EEC at the duty rates charged on Greek tobacco. For 1966, this quota totals 30 million pounds, divided as follows: Belgium and Luxembourg, 3.0 million pounds; West Germany, 16.5 million; France, 5.6 million; Italy, 3.3 million; and the Netherlands, 1.5 million. The 1966 quotas for Belgium-Luxembourg and West Germany are moderately larger than 1965 quotas; for the others, quotas are the same as last year.

#### British Tobacco Situation

Imports of unmanufactured tobacco into the United Kingdom in 1965 totaled 286 million pounds--about 9 percent less than the previous year and second lowest in 13 years. About 91 million pounds--32 percent of the total--were received from the United States. This was 26 percent less than in 1964, when 123 million pounds from the United States comprised 39 percent of the U. K. import total. Imports from Commonwealth suppliers increased about 2 percent to 184 million pounds, and made up 64 percent of all unmanufactured tobacco imports, compared with 58 percent in 1964. Imports from Rhodesia, Zambia, and Malawi (further purchases from Rhodesia were prohibited after its unilateral declaration of independence last November) rose nearly 5 percent to 110 million, while imports from India gained  $2\frac{1}{2}$  percent. Imports from Canada dropped 9 percent below the relatively high level of 1964.

As usual, over nine-tenths of 1965 tobacco imports consisted of flue-cured--of which 85 percent entered in stemmed form, the rest unstemmed. In 1964, the proportion of stemmed flue-cured was 71 percent, and in 1963 it was 58 percent. Quantities of imported flue-cured by principal sources were United States, 88 million pounds; Rhodesia, 83 million; Zambia and Malawi, about  $15\frac{1}{2}$  million; India, 33 million; and Canada, 36 million.

The proportions of flue-cured entering in stemmed form were United States, 80 percent; Rhodesia, Zambia, Malawi, 93 percent; and Canada, 77 percent. For all these sources, the proportions of stemmed flue-cured were higher than in 1964 and much higher than even a few years ago. As in the previous 2 years, virtually all flue-cured imports from India in 1965 consisted of stemmed leaf.

The main United Kingdom import duty on unmanufactured tobacco from non-Commonwealth sources is equivalent to \$12.23 a pound, and from Commonwealth sources is equivalent to \$12.01 $\frac{1}{2}$ --a margin of preference for Commonwealth countries of  $21\frac{1}{2}$  cents a pound. (After its unilateral declaration of independence, Rhodesia was suspended from Commonwealth preferential tariff arrangements.)

The 1965 gross clearances of tobacco from bond in the United Kingdom--an approximate measure of home use and exports combined--declined 3 percent below 1964. This was the second decline in a row and was due to reduced domestic

Table 11.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports <u>1/</u>			Stocks <u>3/</u>			Gross clearances from bond <u>4/</u>			Exports		
	From U.S. <u>2/</u>	From Commonwealth countries <u>2/</u>	Total	Dec. 31	Non-preferential <u>2/</u>	Preferential <u>2/</u>	Total	of manufactured tobacco	Re-exports of unmanufactured tobacco			
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent	Percent	Percent
1950	144	146	306	445	180	91	271	43	4			
1951	212	131	355	498	183	104	287	51	7			
1952	67	143	224	430	172	108	280	47	12			
1953	174	127	316	452	167	116	283	45	9			
1954	160	139	312	468	168	122	290	41	4			
1955	179	149	344	507	173	125	293	44	4			
1956	160	146	318	523	173	127	300	45	3			
1957	168	141	319	529	169	135	304	41	3			
1958	164	145	316	529	172	138	310	41	2			
1959	140	155	300	509	171	144	315	34	2			
1960	178	180	365	538	167	152	319	31	5			
1961	157	182	345	563	161	156	317	31	3			
1962	106	168	280	540	153	154	307	28	4			
1963	145	174	325	536	155	159	314	29	3			
1964	123	181	313	541	146	163	309	26	4			
1965 <u>5/</u>	91	184	286	520	131	168	299	32	4			
Percentage change												
Average:	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1957-59												
to 1965	-42.0	24.3	-8.3	-0.4	-23.4	20.9	-3.5	-17.9	100.0			
1964 to 1965	-26.0	1.7	-8.6	-3.9	-10.3	3.1	-3.2	23.1	0			

1/ Unmanufactured tobacco. 2/ The full duty rate on tobacco from the United States and other nonpreferential areas is about 2 percent above the preferential rate on tobacco from Commonwealth areas. 3/ Beginning with 1957, stocks not strictly comparable with prior years. 4/ Largely withdrawals for manufactures for home use and export. 5/ Subject to revision.

Compiled from official United Kingdom sources.

Table 12.--Unmanufactured tobacco imports into the United Kingdom from major sources, 1950-65

Period	United States	Rhodesia, Zambia, and Malawi	India	Canada	Turkey	Greece	Other	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1950	143.7	78.5	48.1	15.8	10.8	1.0	7.9	305.8
1951	212.0	66.5	40.1	21.6	3.2	1.3	10.2	354.9
1952	66.8	70.2	38.3	32.7	.6	1.2	13.9	223.7
1953	174.2	68.2	31.4	24.1	2.4	.8	14.7	315.8
1954	159.7	76.8	36.2	24.9	2.8	1.4	10.7	312.5
1955	178.6	72.1	36.4	40.0	3.1	1.5	12.0	343.7
1956	160.3	84.4	40.0	21.7	2.6	1.4	8.0	318.4
1957	168.1	79.9	35.6	25.6	2.5	1.1	5.9	318.9
1958	163.9	74.6	44.7	23.4	1.0	.5	7.9	316.0
1959	140.1	86.8	37.4	29.7	.2	.4	5.7	300.3
1960	178.5	105.5	42.7	30.2	.4	.1	7.2	364.6
1961	157.1	102.0	43.6	34.8	.3	.4	7.1	345.3
1962	105.8	91.9	39.9	35.5	.1	.5	6.7	280.4
1963	145.1	101.3	39.5	32.3	.3	.1	6.0	324.6
1964	122.9	104.8	35.3	40.1	.9	.5	8.2	312.6
1965 1/	90.9	109.6	36.2	36.6	.1	.4	12.6	286.4
Percentage change								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Average								
1957-59								
to 1965	-42.2	36.3	-7.7	39.7	-91.7	-42.9	93.8	-8.1
1964 to 1965	-26.0	4.6	2.5	-8.7	-88.9	-20.0	55.6	-8.4
Percentage distribution								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1950	47.0	25.7	15.7	5.2	3.5	0.3	2.6	100.0
1951	59.7	18.7	11.3	6.1	.9	.4	2.9	100.0
1952	29.9	31.4	17.1	14.6	.3	.5	6.2	100.0
1953	55.2	21.6	9.9	7.6	.8	.3	4.6	100.0
1954	51.1	24.6	11.6	8.0	.9	.4	3.4	100.0
1955	52.0	21.0	10.6	11.6	.9	.4	3.5	100.0
1956	50.4	26.5	12.6	6.8	.8	.4	2.5	100.0
1957	52.8	25.0	11.2	8.1	.8	.3	1.8	100.0
1958	52.0	23.6	14.1	7.4	.3	.2	2.4	100.0
1959	46.7	28.9	12.4	9.9	.1	.1	1.9	100.0
1960	49.0	28.9	11.7	8.3	.1	---	2.0	100.0
1961	45.5	29.5	12.6	10.1	.1	.1	2.1	100.0
1962	37.7	32.8	14.2	12.7	---	.2	2.4	100.0
1963	44.7	31.2	12.2	9.9	.1	---	1.8	100.0
1964	39.3	33.5	11.3	12.8	.3	.2	2.6	100.0
1965	31.7	38.3	12.6	12.8	---	.1	4.4-	100.0

1/ Preliminary.

Basic data compiled from official United Kingdom sources.



consumption, since exports of manufactured tobacco--principally cigarettes--had increased. Gross clearances of flue-cured (over nine-tenths of total clearances) in 1965 amounted to 278 million pounds--down 11 million from 1964. By source they were as follows: United States, 121 million; Rhodesia and Western Zambia, about  $91\frac{1}{2}$  million; Canada, 33 million; and India, about  $32\frac{3}{4}$  million. Compared with 1964, gross clearances of U. S. flue-cured declined 11 percent, while Indian flue-cured declined 7 percent. But gross clearances of Rhodesian flue-cured rose 8 percent, while those of Canadian flue-cured were about the same as in 1964. U. S. flue-cured made up 43.5 percent of all reported flue-cured gross clearances in 1965, compared with 47.2 percent in 1964 and the 1959-63 average of 50.6 percent.

Net clearances of tobacco from bond (the measure of home consumption), at 239 million pounds, were down nearly 5 percent from 1964 and smallest since 1956. The number of cigarettes sold in 1965--112 billion--was about 2 percent less than 1964 and 3 percent less than 1963; the tobacco weight of 1965 sales declined about  $4\frac{1}{2}$  percent below 1964 and about 7 percent below 1963. The greater relative decline in tobacco weight is partly due to the increased proportion of filter-tipped cigarettes, which in 1965 made up 53 percent of total sales compared with 42 percent in 1964 and only 16 percent in 1960. Cigarettes account for over 85 percent of total tobacco consumption in the United Kingdom. Consumption of smoking tobacco (which accounts for most of the remainder) fell 6 percent in 1965, while that of cigars continued to gain though still comprising only around 1 percent of total tobacco consumption. Snuff consumption in Britain is even smaller and is estimated to have remained fairly stable for the past 8 years or so.

U. K. exports of cigarettes increased more than a fifth in 1965 compared with 1964, and were largest in 4 years. Among the markets increasing their takings were Kuwait, Aden, Hong Kong, Malaysia, France, Persian Gulf States, French Somaliland, the Netherlands, and Norway; those taking less included Sudan, West Germany, Libya, Togo, Belgium, and Gibraltar.

Stocks of unmanufactured tobacco in the United Kingdom on December 31, 1965, at 520 million pounds, were 4 percent below a year earlier. Year-end holdings represented about 20.8 months' use (as measured by gross clearances), compared with a ratio of 21.0 in 1964 and the 1959-63 average of 20.5.

Included in the 1965 year-end stocks were about 212 million pounds of U. S. flue-cured--15 percent less than a year earlier and lowest in many years. Considered in relation to 1965 usings of U. S. flue-cured, these stocks represented 21 months' use, compared with a ratio of 21.8 a year earlier and the average of about  $22\frac{1}{2}$  months' use in 1959-63. Stocks of Rhodesian flue-cured on December 31, 1965, at  $152\frac{1}{2}$  million pounds, and Canadian, at 52 million, each rose 5 percent; stocks of Indian flue-cured, at 56 million pounds, were down a little. Holdings of dark fire-cured and air- and sun-cured from Malawi were higher than a year earlier, but air- and sun-cured from India declined about a tenth.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN-GROWN TOBACCO 2/

In 1965, U.S. imports for consumption of foreign-grown tobacco were a record 183 million pounds, 8 percent above the preceding year. The value was about \$130 million (excluding import duties)--up 18 percent. The greater relative increase in value compared with that in quantity was mainly due to a higher average value of cigarette leaf imports.

The 1965 imports of cigarette leaf for consumption (direct entries plus withdrawals from bond) increased 16 percent. These imports in January 1965, however, were unusually large, and followed an unusually low import recorded for December 1964. Imports for consumption of Turkish and Greek leaf each increased about a sixth, while those from Yugoslavia were more than a fourth higher. The average values per pound of cigarette leaf imported for consumption in recent years, excluding the 12 $\frac{3}{4}$ -cent import duty, follow:

Year	Turkey	Greece	Other	All countries
	Cents	Cents	Cents	Cents
1961	62.6	80.0	61.5	67.2
1962	55.2	75.3	59.3	60.7
1963	54.4	77.8	59.0	60.2
1964	60.9	92.2	66.1	69.7
1965	67.1	97.7	75.0	76.2

General imports (total arrivals) of cigarette tobacco (direct entries plus that placed in bond) totaled about 130 million pounds in 1965--3 percent less than the year before. Arrivals from Turkey increased substantially, but those from Greece dropped sharply. (See table 14.) The average value of general imports from all countries was 73.6 cents a pound, compared with 82.2 cents in 1964 and 80.0 cents in 1963. On January 1, 1966, stocks of foreign-grown cigarette and smoking tobacco totaled 289 million pounds (farm-sales weight equivalent)--2 to 3 percent above 1 and 2 years earlier, but a little below record January 1 holdings in 1963.

The 1965 imports for consumption of scrap declined 9 percent. About the same quantity as in 1964 came from the Philippine Republic, but less was imported from the Dominican Republic, Colombia, Brazil, and Indonesia; withdrawals of Cuban scrap from bond continued to decline. Imports for consumption of cigar filler dropped more than a fourth, mainly attributable to reduced withdrawals of Cuban leaf. On January 1, 1966, stocks of Cuban tobacco were down to 9 million pounds, farm-sales weight--5 million less than 1 year earlier and nearly 13 million less than 2 years earlier.

2/ Imports of tobacco are on a declared-weight basis and stocks are on a farm-sales weight basis.

Table 13.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)						
Classification and country of origin	Average 1957-61	1962	1963	1964	1965	1965 as a percentage of 1964
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf						
Unstemmed:						
Turkey	69.5	82.4	84.5	72.3	83.6	116
Greece	30.0	32.1	28.8	30.9	36.0	117
Yugoslavia	4.8	7.3	9.6	10.2	12.9	126
Italy	1.7	1.4	1.7	1.6	1.4	88
Cyprus	.9	.6	.6	.8	.8	100
Syria	.9	.6	.4	.4	.2	50
Total 2/	110.4	126.8	128.4	118.4	137.9	116
Flue-cured and burley	3/.1	.3	.6	.4	.3	75
Cigar leaf (filler)						
Cuba:						
Stemmed	7.8	2.9	1.0	.5	.2	40
Unstemmed	3.7	3.0	1.4	1.5	.6	40
Philippine Republic:						
Stemmed	.3	.1	.9	.4	4/	---
Unstemmed	.1	.1	4/	4/	4/	---
Colombia	.1	.8	.2	.3	.1	33
Brazil	.1	.5	.6	.8	.6	75
Paraguay	.1	.3	.1	.1	.4	400
Dominican Republic	.1	.8	.3	.7	.8	114
Mexico	0	.2	.6	.8	1.0	125
Total 2/	12.3	8.9	5.3	5.9	4.3	73
Scrap:						
Cuba	13.7	6.4	3.3	2.3	1.6	70
Philippine Republic	7.9	10.1	12.9	14.1	14.1	100
Peru	.4	0	.2	4/	.3	---
Colombia	.3	3.2	5.3	8.0	5.5	69
Dominican Republic	.3	3.0	5.2	9.3	7.6	82
Netherlands	.1	4/	.1	.1	4/	---
Indonesia	.1	.6	1.0	2.1	1.3	62
Brazil	4/	.3	1.9	3.8	3.6	95
Argentina	4/	.3	.4	.5	.4	80
Paraguay	4/	.2	.4	.6	.9	150
Total 2/	23.6	26.3	33.0	42.9	38.9	91
Cigar wrapper (unstemmed):						
Cuba	.6	.5	.2	.1	4/	---
Cameroon Republic	0	4/	4/	4/	.1	---
Honduras	0	4/	4/	4/	.1	---
Total 2/	.6	.5	.3	.2	.2	100
Total imports 5/	148.0	163.3	167.8	168.7	182.6	108

1/ Preliminary.

2/ Includes relatively small quantities from other countries not separately listed.

3/ 1960 and 1961 average.

4/ Less than 50,000 pounds.

5/ Includes stems not cut, ground, or pulverized.

Compiled from publications and records of the Bureau of the Census.



Table 14.--United States general imports of tobacco from principal supplying countries, for specified periods

(Declared weight)						
Classification and country of origin	Average 1958-61	1962	1963	1964	1965	1965 as a percentage of 1964
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf (unst.):						
Turkey	81.8	116.8	67.4	68.1	79.8	117
Greece	35.4	17.0	41.7	46.4	35.7	77
Other countries	13.6	21.3	11.0	18.7	14.0	75
Total	130.8	155.1	120.1	133.2	129.5	97
Scrap:						
Turkey	1.1	.7	.7	.1	7.1	---
Flue-cured and burley	1/.2	.3	.5	.5	1.0	200
Cigar wrapper (unst.):						
Cuba	.6	2/	0	0	0	---
Cameroon Republic	0	2/	.1	.1	.1	100
Honduras	0	2/	.1	.1	.1	100
Total 3/	.7	.1	.2	.2	.4	200
Cigar filler (stemmed):						
Cuba	8.1	1.3	0	0	0	---
Philippine Republic	.3	.1	2.3	1.2	2.2	183
Brazil	2/	.1	1.9	.2	.2	100
Mexico	0	2/	.3	.5	.5	100
Dominican Republic	0	0	.2	.5	.9	180
Honduras	0	2/	.1	.2	.2	100
Total 3/	8.4	1.6	5.1	3.1	4.2	135
Cigar filler (unst.):						
Cuba	19.7	3.5	0	0	0	---
Philippine Republic	1.9	.1	.1	1.2	.8	67
Dominican Republic	2.3	5.4	6.5	22.1	2.5	11
Colombia	1.8	7.8	8.8	17.3	7.0	40
Brazil	.5	1.5	2.3	10.2	9.3	91
Paraguay	.4	1.4	.8	1.2	1.8	150
Indonesia	.4	1.8	1.9	6.2	2.5	40
Netherlands	.4	0	2/	.2	0	---
Peru	1.5	.4	0	2/	2.1	---
Argentina	2/	.5	2/	1.6	.2	12
Mexico	2/	.5	.9	2.1	2.3	110
Jamaica	2/	.4	2/	0	2/	---
Other countries	2/	2/	.2	.4	1.1	275
Total	29.0	23.3	21.7	62.5	29.6	47
Scrap:						
Cuba	7.8	1.6	0	0	0	---
Philippine Republic	8.1	11.9	10.2	15.0	23.9	159
Dominican Republic	2/	.2	.6	1.1	1.0	91
Colombia	2/	.1	2/	0	0	---
Brazil	2/	.4	.1	.8	.1	12
Paraguay	.1	.2	.1	.1	.1	100
Indonesia	2/	0	2/	.4	2/	---
Netherlands	.1	2/	.2	0	2/	---
Argentina	2/	.6	.4	.3	.1	33
Honduras	0	.1	2/	.1	.1	100
Other countries	.8	.8	.4	.6	.6	100
Total	16.9	15.9	12.0	18.4	25.9	141
Total cigar tobacco	55.0	40.9	39.0	84.1	60.1	71
Grand total 4/	187.1	197.0	160.3	218.0	197.7	91

1/ 1960 and 1961 average. 2/ Less than 50,000 pounds. 3/ Includes quantities from other countries not separately listed. 4/ Includes scrap from Canada and filler from Japan.

Note: General imports include all arrivals in the United States as distinguished from "imports for consumption" which represent merchandise entering into domestic consumption channels.

Total arrivals (general imports) of cigar tobacco in 1965 were 29 percent below the high level of 1964 but more than 50 percent above 1963. (For details on arrivals and stocks by country of origin see page 48.)

## OUTLOOK AND SITUATION FOR TOBACCO LEAF

### Flue-cured, Types 11-14

#### Prices and Price Support

The 1966 crop will be supported at 58.8 cents per pound--1.1 cents higher than for 1965. The increase in the overall support level in 1966 is based on a comparison of the parity index average in 1963-65 with its 1959 level; this index--a measure of prices paid by farmers--averaged 6 percent higher in 1963-65 than in 1959. Accordingly, as specified by law, the support level for the 1966 crop of tobacco was increased 6 percent above the 1959 level. The 1966 crop support level is about 2 percent above 1965; for the previous 4 consecutive years, the support level rose 1 percent a year.

The 1965 season average price received by flue-cured growers was 64.8 cents per pound--nearly 11 percent above 1964 and slightly topping the previous high of 64.3 cents received for the 1961 crop. The quality of the 1965 crop--the first produced under the acreage-poundage program--was considerably improved compared with other recent years. About 61 percent of the crop was classified in grades specifying a high degree of maturity--an important element of quality--compared with 50 percent in such grades in each of the 2 previous seasons. Far less flue-cured was placed under Government loan than in each of the previous 3 seasons. In 1965, about 71 million pounds--6.7 percent of marketings--were placed under loan in contrast with from 235 to 285 million annually during 1962-64. In the 12 months ended February 28, 1966, about 175½ million pounds were sold from Government loan stocks--104 million pounds more than received under loan in the 1965 season. Total Government loan stocks of flue-cured tobacco on March 1, 1966, were 833 million pounds (farm-sales weight)--11 percent less than a year earlier but still about two-thirds of a year's combined domestic use and exports.

#### Supplies

The national acreage allotment and quota announced last November 23 were virtually the same as in 1965, but growers with undermarketings in 1965 were allocated increased poundage quotas and acreages in 1966 to make up for last year's undermarketings; growers with overmarketings in 1965 were allocated decreased poundage quotas and acreages in 1966 to offset last year's overmarketings. Preliminary data showed that about three-fifths of the growers marketed less than their quotas in 1965, and about one-third marketed more than their quotas. The 1966 acreage intentions compared with last year's harvested acreage indicate that growers are increasing this year's acreage to compensate for a considerable part of last year's undermarketings. According to March 1 intentions, 606,600 acres will be grown-- 8 percent more than in 1965. The average yield per acre (taking into account the trend as

Table 15.--Marketing quota referendums, by kinds of tobacco

Kind (type numbers in parentheses) and basis of quotas <u>1/</u>	Last referendum			Next referendum		
	Date	Crops to which applicable:	Number voting	Percentage: voting in: favor of: quota <u>2/</u>	Probable date <u>3/</u>	Crops to which applicable
Flue-cured (11-14) Acreage-poundage	May 4, 1965	1965-67	229,880	73.6	Dec. 1967	1968-70
Burley (31) Acreage allotments	*Feb. 25, 1965	1965-67	361,167	99.0	Feb. 1968	1968-70
Acreage-poundage	Mar. 10, 1966	1966-68	4/285,282	4/57.0	5/	5/
Maryland (32)	Feb. 25, 1966	1966-68	4,030	41.5	Feb. 1967	1967-69
Fire-cured (21-23)	Feb. 28, 1964	1964-66	11,978	94.7	Feb. 1967	1967-69
Dark air-cured (35-36)	Feb. 28, 1964	1964-66	9,113	97.8	Feb. 1967	1967-69
Va. sun-cured (37)	Feb. 25, 1965	1965-67	1,169	97.5	Feb. 1968	1968-70
Pa. filler (41)	Feb. 18, 1965	1965-67	3,206	11.8	Feb. 1968 <u>6/</u>	1968-70
Cigar binder (51-52)	Feb. 10, 1966	1966-68	354	96.6	Feb. 1969	1969-71
Cigar filler and binder (42-44, 53-55)	Feb. 10, 1966	1966-68	3,659	91.3	Feb. 1969	1969-71

1/ Quotas based on acreage allotments unless otherwise specified. 2/ A majority of two-thirds or more of farmers voting is required for marketing quotas to become effective under the acreage allotment program or acreage-poundage programs. 3/ Approximate date, unless circumstances necessitate an earlier date. 4/ Preliminary. 5/ See text discussion, page 33. 6/ Unless at least a fourth of the growers petition the Secretary in the interim. \*Polls kept open February 26, because of severe snow storms in some areas.



Table 16.---Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, July 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	1,483	2,056	3,539	1,281	728	553
1956	1,423	2,258	3,681	1,170	705	465
1957	975	2,511	3,486	1,178	737	441
1958	1,081	2,308	3,389	1,179	736	443
1959	1,081	2,210	3,291	1,185	766	419
1960	1,251	2,106	3,357	1,267	792	475
1961	1,258	2,090	3,348	1,267	782	485
1962	1,408	2,081	3,489	1,208	777	431
1963	1,371	2,282	3,653	1,267	769	498
1964	1,388	2,386	3,774	1,219	775	444
	Production	Market-				
	tion	ings				
1965 <sup>2/</sup>	1,088	*1,060	2,555	3,615		
	Average	Price	Placed under Government loan	Remaining in		
	price	support		Government loan		
	per pound	level <sup>3/</sup>	Quantity	Percentage	stocks on	
				of crop	February 28, 1966 <sup>4/</sup>	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	52.7	48.3	298.9	20.2	0	
1956	51.5	48.9	319.9	22.5	0	
1957	55.4	50.8	107.8	11.1	26.1	
1958	58.2	54.6	144.8	13.4	26.2	
1959	58.3	55.5	55.3	5.1	6.4	
1960	60.4	55.5	51.8	4.1	29.1	
1961	64.3	55.5	70.3	5.6	48.1	
1962	60.1	56.1	237.2	16.8	194.5	
1963	58.0	56.6	277.2	20.2	197.0	
1964	58.5	57.2	285.6	20.7	237.4	
1965	<sup>2/</sup> 64.8	57.7	71.5	6.5	68.5	
1966		58.8				
Total	---	---	1,920.3	---	833.3	

<sup>1/</sup> Year beginning July 1. <sup>2/</sup> Subject to revision. <sup>3/</sup> Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. <sup>4/</sup> As reported by Flue-cured Tobacco Cooperative Stabilization Corporation; actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. \*Tentative approximation.

modified by the restraints of the poundage quotas) when applied to the intended acreage would indicate a 1966 production of about 1,198 million pounds. A crop this size would be about one-eighth above 1965 marketings though 14 percent below the 1962-64 average.

Carryover of flue-cured tobacco in mid-1966 is estimated at about 2,370 million pounds--down about 185 million from the record level of a year earlier. If 1966 marketings should equal 1,198 million pounds, 1966-67 total supply (leaving out of account relatively small quantities carried over on farms between years) would approach 3,570 million pounds--about 45 million less than for 1965-66 and around 205 million lower than the record 1964-65 level.

#### Domestic Use and Exports

U. S. output of cigarettes (the principal outlet for flue-cured) during the year ending June 30, 1966, is expected to be about the same as a year earlier; consequently domestic use of flue-cured during 1965-66 seems likely to show but little change from the 775 million pounds used in 1964-65.

Exports of flue-cured during the year ending June 30, 1966, are expected to be moderately above the 444 million pounds (farm-sales weight) of 1964-65 when they were second lowest in 5 years. Steps have been taken on pricing Government loan stocks of old-crop tobaccos to assist U. S. flue-cured to become more competitive with foreign-produced flue-cured. Sealed bids can be made on the 1957 crop and export-type grades of 1958 and 1959 crops, and a refund of 5 cents per pound will be made on exports of any grades acquired from the loan stocks of 1960-62 crops. The near and longer term effects of the situation in Rhodesia--a leading competing producer of flue-cured tobacco for export--remain clouded. Stiff economic sanctions are being applied to Rhodesia, and Britain and many other countries will boycott Rhodesian tobacco until the issues between Britain and Rhodesia have been settled.

During July 1965-January 1966, flue-cured exports were about even with those in the corresponding period of 1964-65. (The comparability between the 2 periods is affected to some extent by the tie-up in shipping due to the dock strike that started January 11, 1965, and extended into February.) Britain, the leading outlet, took about a fifth less than a year earlier, but the next ranking outlets, West Germany, Japan, and the Netherlands, took 6, 44, and 56 percent more, respectively, than in the same months of 1964-65. Other countries taking significantly larger quantities were Belgium, Ireland, Denmark, Norway, Australia, New Zealand, Taiwan, Egypt, Pakistan, Malaysia and Jamaica. On the other hand, flue-cured exports during July 1965-January 1966 were much less than a year earlier to Sweden, Italy, Hong Kong, and Uruguay; also less went to Switzerland, France, Austria, Thailand, the Philippine Republic, and Mexico. There was little or no change in shipments to Finland, Portugal, the Congo Republic, and Chile.

## Burley, Type 31

Acreage-Poundage Program  
Disapproved by Burley Growers

Burley growers, voting in a referendum on March 10, disapproved acreage-poundage quotas for the 1966, 1967, and 1968 crops. About 57 percent of those voting favored quotas on an acreage-poundage basis; however, a more than two-thirds favorable vote was necessary to place an acreage-poundage program in effect. The acreage allotment program thus remains in effect for burley. (Marketing quotas on an acreage basis had been approved for the 1965, 1966, and 1967 crops by growers in a referendum held February 25 and 26, 1965.)

By States, preliminary percentages of those favoring acreage-poundage quotas in the recent referendum were as follows:

<u>State</u>	<u>Pct.</u>	<u>State</u>	<u>Pct.</u>
Kentucky	73	Ohio	80
Tennessee	14	Indiana	70
Virginia	48	Missouri	63
North Carolina	68	West Virginia	58
		Others	69

Under present law, an acreage-poundage determination can be made for the 1967 burley crop. If it is, burley growers would have another opportunity to vote in a special referendum on whether or not they approved acreage-poundage quotas for the 1967-69 crops. If such a determination is not made, however, the first crop for which it could be made again is the 1969 crop. (See Tobacco Situation, June 1965, page 29, for applicable provisions of the acreage-poundage law enacted in April 1965.)

Prices and Price Support

Auction prices for the 1965 burley crop averaged 67 cents a pound--11 percent above the previous year and highest on record. Markets opened November 29 and the season ended February 28 with a clean-up sale at Lexington. Volume sold was 6 percent less than in the previous season. Over 70 percent of total producers' sales were made by December 17, when markets closed for the holidays until January 3.

Overall quality of market offerings was better than in the 1964 season. Prices of virtually all grades increased, mostly from 1 to 11 cents per pound. The biggest gains were in prices of lower quality grades of leaf, tips, and nondescript. Price spreads between the C4F grades (one of the major cigarette grades) and representative medium- and heavy-bodied grades narrowed to the smallest in several years. (See table 17.)



Table 17.--Burley tobacco: Price spreads among specified grades, average 1953-55, annual 1956-65

Period	Average price of C4F	Cents per pound lower than C4F							
		X4F	C4R	B4F	B4FR	B4R	T4R	NIG	
	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	
Average: 1953-55	64	1	6	8	15	23	28	43	
1956	66	1	1	1	1	1	2	14	
1957	67	1	3	4	7	10	13	29	
1958	70	1	2	2	3	4	7	20	
1959	70	1	2	2	7	12	17	32	
1960	70	1	2	2	5	9	13	25	
1961	71	1	4	3	5	8	10	15	
1962	71	1	4	5	10	17	22	37	
1963	71	1	6	5	12	20	26	42	
1964	72	1	6	5	11	18	24	40	
1965	73	1	6	5	8	13	15	28	

The Government support level for the 1965 crop was 59.5 cents a pound. Growers placed about 42 million pounds under loan, equal to about 7 percent of estimated producers' sales--the smallest quantity and percentage in 4 years. As of February 28, 1966, Government loan stocks of burley amounted to 294 million pounds (farm-sales weight), compared with 341 million pounds 1 year earlier and 295 million 2 years earlier. Probably around 15 million pounds have been sold from February 1966 holdings.

The price support level for the 1966 burley crop will be 60.6 cents a pound--1.1 cents or about 2 percent above the overall level for the 1965 crop.

### Supplies

The 1965-66 total supply of burley, estimated at 2,001 million pounds, is  $1\frac{1}{2}$  percent below the record high of 1964-65 but above any other previous year. Carryover rose slightly, but estimated producers' sales were 6 percent smaller than in the 1964 season.

Farmers' March 1 intentions indicate that 241,200 acres of burley would be grown in 1966--13 percent less than in 1965 and the lowest since 1927. Under the acreage allotment program which continues for this kind, acreage allotments for farms not covered by special provisions applying to small allotments were reduced 15 percent.

Table 18.--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	470	1,347	1,817	518	484	34
1956	506	1,299	1,805	510	482	28
1957	488	1,295	1,783	506	478	28
1958	465	1,277	1,742	518	483	35
1959	502	1,224	1,726	535	499	36
1960	485	1,191	1,676	549	508	41
1961	580	1,127	1,707	570	525	45
1962	675	1,137	1,812	584	531	53
1963	755	1,228	1,983	571	514	57
1964	620	1,412	2,032	616	560	56
1965 2/	*585	1,416	2,001			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on February 28, 1966 4/	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	58.6	46.2	73.1	15.6	0	
1956	63.6	48.1	6.0	1.2	0	
1957	60.3	51.7	16.6	3.4	1.9	
1958	66.1	55.4	11.2	2.4	.6	
1959	60.6	57.2	13.2	2.6	.7	
1960	64.3	57.2	8.4	1.7	.4	
1961	66.5	57.2	10.3	1.8	1.6	
1962	58.6	57.8	63.5	9.4	36.9	
1963	59.2	58.3	202.3	26.8	116.8	
1964	60.3	58.9	110.4	17.8	92.6	
1965	*67.0	59.5	42.4	7.2	42.4	
1966		60.6				
Total	---	---	557.4	---	5/293.9	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.

4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.

5/ Probably around 15 million pounds of these holdings have been sold.

\* Indicated by sales data.

Based on an average yield per acre with an allowance for trend, the 1966 burley crop would be 543 million pounds--about 7 percent less than producers' marketings of the 1965 crop. Particularly intensive efforts by growers to offset the sharp cut in acreage allotments, however, could result in a larger crop than indicated by past trends in yields. Carryover of burley on October 1, 1966, is estimated at around 1,385 million pounds, about 30 million less than last October 1. If the crop should turn out near 543 million pounds, total 1966-67 supplies--production plus the indicated carryover--would be around 1,928 million pounds, 4 percent less than for the current marketing year.

#### Domestic Use and Exports

Domestic disappearance of burley in 1964-65, at 560 million pounds, was 9 percent above 1963-64. This was more of an increase than could have been expected on the basis of the percentage gain in cigarette output, chief outlet for burley, especially when secondary burley outlets--smoking tobacco and chewing tobacco other than scrap--declined. Domestic use of burley in the current marketing year might be below the unusually large 1964-65 figure.

Burley exports in 1964-65, at 56 million pounds (farm-sales weight), were a little below the previous year's record. In the first third of the current marketing year (October 1965-January 1966), burley exports on a declared-weight basis were  $5\frac{1}{2}$  percent above a year earlier. But on a farm-sales weight basis, they were  $3\frac{1}{2}$  percent lower than a year ago. This is because only 11 percent was shipped out in stemmed form contrasted with about 40 percent in October 1964-January 1965, when a large share of the stemmed exports went to Sweden. In the recent period, exports to West Germany rose 5 percent from a year earlier, those to the Republic of the Congo jumped sharply, while Egypt and Portugal took approximately 1-3/4 million pounds and 1-1/3 million pounds (farm-sales weight), respectively, in contrast with none a year earlier. Substantially increased shipments were also made to Denmark, Australia, and Belgium, but those to the Netherlands, Chile, Hong Kong, and Mexico declined. None was yet reported exported to Sweden, usually a major foreign market for burley, nor to Thailand, which took a significant quantity a year earlier.

Maryland, Type 32 3/

#### Prices and Price Support

Auctions for the 1965 Maryland crop are scheduled to open April 12 and continue through July 1. Sales will also be held at the Baltimore hogshead market, where approximately a sixth of the crop has been sold in most recent years.

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3/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of the January 1 falling within the marketing year, October 1 through September 30. Disappearance is calculated on the October-September basis.



Table 19.--Maryland tobacco, type 32: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks following Jan. 1 <u>1/</u>	Supply	Disappearance <u>2/</u>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	31.5	77.5	109.0	38.6	25.7	12.9
1956	36.5	69.7	106.2	34.9	21.4	13.5
1957	38.5	69.4	107.9	37.0	25.0	12.0
1958	31.1	70.9	102.0	39.4	24.1	15.3
1959	31.2	64.2	95.4	32.3	20.4	11.9
1960	34.7	61.7	96.4	35.6	23.6	12.0
1961	38.8	60.6	99.4	32.6	20.7	11.9
1962	40.6	67.3	107.9	30.7	19.5	11.2
1963	34.5	76.6	111.1	31.0	18.5	12.5
1964	41.7	82.0	123.7	32.4	22.8	9.6
1965 <u>3/</u>	36.8	89.9	126.7			
	Average	Price	Placed under Government loan		Remaining in	
	price	support	Quantity	Percentage	Government loan	
	per pound	level <u>4/</u>		of crop	stocks on	
					February 28, 1966 <u>5/</u>	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	50.8	No price support <u>6/</u>				
1956	51.7	47.0	3.3	9.0	0	
1957	44.9	48.0	5.9	15.3	1.6	
1958	62.5	50.8	1.1	3.6	.2	
1959	61.6	No price support <u>6/</u>				
1960	63.8	50.8	1.6	4.6	.4	
1961	62.0	50.8	3.7	9.5	1.2	
1962	55.8	51.3	6.0	14.8	2.6	
1963	43.2	51.8	10.4	30.1	10.1	
1964	62.5	52.3	4.2	10.1	4.1	
1965		52.8	Auctions scheduled to start April 12, 1966			
1966		No price support <u>6/</u>				
Total	---	---	36.2	---	20.2	

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30. 2/ Year beginning October 1. 3/ Subject to revision. 4/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ Marketing quota not in effect since over one-third of growers voting disapproved.

The 1965 crop will be supported at an average level of 52.8 cents a pound. The 1966 crop that will go to market in 1967 will not receive Government price support, since growers disapproved marketing quotas (on an acreage basis) for the 1966-68 crops in a referendum held February 25, 1966. The percentage voting in favor of marketing quotas was about 42 percent; at least a two-thirds majority was necessary to continue marketing quotas in effect. The law stipulates that price support cannot be offered when growers disapprove marketing quotas. Maryland tobacco growers also will not be eligible for full payments under the cropland adjustment program authorized by the Food and Agriculture Act of 1965. Growers will have another opportunity to vote in a referendum in 1967 on whether to have quotas on the 1967, 1968, and 1969 crops.

The average price for the 1964 crop (marketed mostly in 1965) was 62.5 cents a pound, 45 percent more than for the drought-affected 1963 crop. About 10 percent of the crop went under Government loan.

### Supplies

The 1965 crop of Maryland tobacco is estimated at 36.8 million pounds--nearly 5 million below the previous year. Carryover on January 1, 1966, was about 90 million pounds--nearly 8 million more than a year earlier and highest January 1 stocks on record. Total 1965-66 supply, at nearly 127 million pounds, is about  $2\frac{1}{2}$  percent above 1964-65 and largest on record.

Based on farmers' intentions as of March 1, about 34,000 acres will be grown this year--slightly more than harvested in 1965. Acreage allotments are not in effect, since growers disapproved marketing quotas.

Based on an average yield with allowance for trend, about 37.4 million pounds would be produced from the 1966 intended acreage--a little more than the estimate for 1965. Carryover next January 1 may be near 93 million pounds--about 3 million above last January 1 and a new high. The 1966-67 total supply--production plus carryover--is indicated at about 130 million pounds, 3 percent above 1965-66 and surpassing any previous year.

### Domestic Use and Exports

Domestic use of Maryland tobacco in the 1964-65 marketing year increased substantially above the long-time low of the year before. The main outlet for Maryland tobacco is in the manufacture of cigarettes. Certain grades are also used as cigar filler.

Exports of Maryland tobacco in 1964-65 dropped to the lowest in 10 years. In the first third of the current marketing year (October 1965-January 1966), exports of Maryland tobacco were 38 percent above a year

earlier when shipments were down due to the dock strike in January 1965. Switzerland, accounting for nearly half of the total, increased takings 6 percent, while exports to West Germany were more than doubled. Belgium and Portugal also raised their takings substantially, and some was exported to South Vietnam. Exports to the Netherlands dropped 15 percent.

#### Fire-Cured, Types 21-23

##### Prices and Price Supports

Auctions for Virginia fire-cured, type 21, began November 30 and regular sales ended February 17. Sales volume was up 4 percent; quality of offerings was poorer than last season. The auction average, at 39.8 cents a pound, declined 8 percent below the previous season's record but exceeded any other year.

Auctions for Kentucky-Tennessee fire-cured, types 22 and 23, began during the third week of January, and final sales made on March 4 for type 23 and March 11 for type 22. Gross sales of type 22 amounted to about 22.7 million pounds, and averaged 43.6 cents a pound--6 percent above the previous year and slightly topping the previous high in 1960. Sales volume declined nearly a fourth to the lowest in many years; quality of offerings was better than the year before. Gross sales on type 23 markets totaled 10.3 million pounds, and the price average was second highest on record--40.9 cents a pound, compared with 38.2 cents a year earlier. Sales volume dropped 15 percent; quality of offerings improved compared with the previous season.

The Government price support level for the 1965 crop of fire-cured was 40.4 cents a pound. During the season just ended, growers of Virginia fire-cured placed about 1 million pounds under Government loan, nearly 4 times the record-low figure a year earlier. Placements represented 11 percent of estimated marketings, compared with 3 percent the year before and an average of 8 percent in the 1959-63 seasons.

Growers of Kentucky-Tennessee fire-cured, type 22, placed about 1.8 million pounds under loan--around 7 percent of estimated producers' sales. This was down sharply from the previous year, when 4.6 million pounds--14 percent of sales--went under loan. Season loan deliveries of type 23 amounted to about 506,000 pounds, about 5 percent of estimated producers' sales, contrasted with 2.6 million pounds and 22 percent of sales, a year earlier. The quantity placed under loan in the 1965 season was the smallest in 7 years.

The 1966 crop of fire-cured will be price-supported at an overall level of 41.1 cents a pound--about 2 percent higher than the level in effect for the 1965 crop.

##### Supplies

The 1965-66 total supply of fire-cured, about 166 million pounds, is 4 percent smaller than in the previous year. The supply of Virginia fire-cured is down 3 percent to a new low, due to a drop in stocks. Total supply of the Kentucky-Tennessee types is 4 percent below the previous year, due to a sharp decline in marketings.



Table 20.--Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	10.5	26.6	37.1	12.7	6.7	6.0
1956	10.7	24.4	35.1	10.3	4.8	5.5
1957	8.6	24.8	33.4	9.6	4.2	5.4
1958	9.4	23.8	33.2	10.7	5.3	5.4
1959	10.0	22.5	32.5	10.3	4.9	5.4
1960	8.9	22.2	31.1	10.2	4.0	6.2
1961	9.8	20.9	30.7	10.8	5.5	5.3
1962	9.5	19.9	29.4	9.2	4.1	5.1
1963	6.2	20.2	26.4	9.6	3.0	6.6
1964	9.1	16.8	25.9	10.3	3.9	6.4
1965 2/	*9.5	15.6	25.1			
1966						
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on February 28, 1966 4/	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	31.3	34.6	1.8	17.1	0	
1956	39.5	36.1	1.7	15.9	0	
1957	38.7	38.8	1.0	11.6	.5	
1958	36.9	38.8	.8	23.4	.9	
1959	37.6	38.8	.8	8.1	.3	
1960	39.4	38.8	.3	3.3	.1	
1961	38.8	38.8	.9	9.8	.4	
1962	38.8	39.2	1.2	12.6	.4	
1963	35.5	39.6	.4	6.5	.4	
1964	43.1	40.0	.3	3.3	.2	
1965	*39.8	40.4	1.0	10.5	.9	
1966		41.1				
Total	---	---	10.2	---	4.1	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.

4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

\*Indicated by sales data.

Table 21.--Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance <sup>1/</sup>		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	54.7	110.5	165.2	52.0	24.6	27.4
1956	59.9	113.2	173.1	52.3	27.5	24.8
1957	41.9	120.8	162.7	53.3	29.5	23.8
1958	33.9	109.4	143.3	44.1	24.6	19.5
1959	43.1	99.2	142.3	41.1	22.5	18.6
1960	36.5	101.2	137.7	44.9	23.9	21.0
1961	43.3	92.8	136.1	46.7	17.2	29.5
1962	44.6	89.4	134.0	40.8	21.1	19.7
1963	49.7	93.2	142.9	41.4	19.6	21.8
1964	46.0	101.5	147.5	42.7	21.7	21.0
1965 <sup>2/</sup>	*36.5	104.8	141.3			
	Average price per pound	Price support level <sup>3/</sup>	Placed under Government loan		Remaining in Government loan stocks on February 28, 1966 <sup>4/</sup>	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	38.4	34.6	7.9	14.4	0	
1956	36.1	36.1	18.6	31.1	0	
1957	36.4	38.8	13.9	33.1	0.7	
1958	38.1	38.8	4.4	12.0	1.1	
1959	38.3	38.8	5.3	12.3	2.4	
1960	43.3	38.8	3.2	8.7	2.7	
1961	40.2	38.8	5.1	11.8	4.0	
1962	38.7	39.2	8.6	19.3	6.7	
1963	36.9	39.6	13.0	26.2	7.1	
1964	41.0	40.0	7.2	15.7	6.1	
1965	*43.5	40.4	2.3	6.3	<sup>5/</sup> 2.3	
1966		41.1				
Total	---	---	89.5	---	<sup>5/</sup> 33.1	

<sup>1/</sup> Year beginning October 1.<sup>2/</sup> Subject to revision.<sup>3/</sup> Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.<sup>4/</sup> Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.<sup>5/</sup> Includes total receipts in 1965 season.

\*Indicated by sales data.

According to farmers' intentions as of March 1, about 21,800 acres of Kentucky-Tennessee fire-cured and 7,400 acres of Virginia fire-cured will be grown in 1966. Intended acreage of Kentucky-Tennessee fire-cured is down 6 percent from last year, while that of Virginia fire-cured is 3 percent below last year. Acreage allotments for most farms are about the same as for 1965. If the yield per acre equals the average (with allowance for trend), production of the combined fire-cured types would be near 49 million pounds--about 3 million more than marketings from the 1965 crop, which were lowest in 5 years.

Carryover of fire-cured on October 1, 1966, may be around 110 million pounds--10 million less than last October 1. Such stocks, plus the indicated crop, would provide a total 1966-67 supply of 159 million pounds--4 percent smaller than for the current year.

#### Domestic Use and Exports

In 1964-65, domestic use of fire-cured, at about 25-3/4 million pounds, was up 3 million from 1963-64. Domestic disappearance of both the Virginia and Kentucky-Tennessee kinds gained. Exports of both kinds, however, were somewhat below the previous year's levels.

During the first third of the current marketing year (October 1965-January 1966), exports of Kentucky-Tennessee fire-cured jumped 66 percent over those a year earlier. (The dock strike in January 1965 affects the comparison to some extent.) The Netherlands accounted for 45 percent of the total and took  $4\frac{1}{2}$  times as much as a year ago. More than a year earlier was also shipped to the Republic of the Congo, Switzerland, Belgium, and Denmark, while a significant quantity was consigned to Egypt, in contrast to none in October 1964-January 1965. Countries taking less than a year earlier included South Vietnam and France.

Exports of Virginia fire-cured in October 1965-January 1966 were more than triple those a year earlier. (See parenthetical note in preceding paragraph.) There were increased takings by Norway, United Kingdom, West Germany, and Switzerland, but those by Sweden declined. For the full marketing year, exports to the United Kingdom--in recent years the second ranking market for this type--may fall below the 5-year high of 1964-65. A major British firm reportedly reduced substantially its purchases from the 1965 crop.

Dark Air-Cured and Sun-Cured, Types 35-37

#### Prices and Price Supports

Auction markets for One Sucker (type 35), Green River (type 36), and Virginia sun-cured (type 37) opened during the first third of December and regular sales ended on January 27 for type 35, and on January 21 for types 36 and 37. The price average for type 35 was 37.3 cents a pound-- $\frac{1}{2}$  cent below the preceding year. Sales volume dropped more than a fifth; quality of marketings was lower than in the previous year. Auction sales of type 36 averaged 36.0 cents-- $\frac{1}{2}$  cent more than in the previous season and only slightly below the



1958 record. Volume sold declined around an eighth to the smallest in 5 years; general quality of offerings was below that of the year before. For all auction sales of Virginia sun-cured, the price average was 39.5 cents a pound--down 4 percent from the preceding year's peak but still third highest on record. Poundage sold increased about 9 percent, and quality was not as good as during the previous season. About 16 percent of the Virginia sun-cured volume was sold on the fire-cured markets.

The Government support level for the 1965-crop of dark air-cured and sun-cured was 35.9 cents a pound. In the season recently ended, growers of One Sucker placed about 1.4 million pounds under loan--12 percent of marketings. In the previous season, placements were 1.5 million pounds, 10 percent of marketings. Type 36 loan placements totaled 1.7 million pounds, equal to 26 percent of marketings--a lower quantity and proportion than in the previous year. Loan placements of Virginia sun-cured, at 52,000 pounds or about  $2\frac{1}{2}$  percent of the crop, were up from the preceding season.

The overall support level for the 1966 crops of dark air- and sun-cured will be 36.6 cents a pound--about 2 percent above the support level in effect for the 1965 crop.

### Supplies

The 1965-66 combined supply of dark air-cured and sun-cured tobacco, at about 87 million pounds, is 3 million less than in 1964-65. The supply of Virginia sun-cured is up some, but the supply of dark air-cured types 35-36 is down 4 percent, due to a drop in marketings.

According to farmers' intentions on March 1, about 10,600 acres of dark air-cured and 1,600 acres of sun-cured will be grown in 1966. Prospective acreage of types 35-36 is down 6 percent, and that of Virginia sun-cured is down 11 percent. Under the acreage allotment program for these kinds, 1966 allotments for most farms are about the same as in 1965. Based on an average yield per acre, with allowance for trend, 1966 production of dark air-cured and sun-cured would be about 20.7 million pounds, not much different than marketings from the 1965 crop, which were smallest in 5 years.

Carryover of the combined dark air- and sun-cured types on October 1, 1966, may be near 63 million pounds--about 3 million less than last October 1. The indicated carryover plus this year's crop would result in total 1966-67 supplies of around 84 million pounds--3 percent less than for the current marketing year.

### Domestic Use and Exports

Domestic use of dark air-cured, types 35-36, in 1964-65 was about the same as in the previous year, but Virginia sun-cured fell 18 percent to a new low. Output of plug, twist, and fine-cut chewing tobaccos--chief outlet for dark air-cured in this country--declined 4 percent in the 1964-65 marketing year. In October-December 1965 (first quarter of the current marketing year), it was nearly even with a year earlier.

Table 22.--Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	27.8	76.6	104.4	23.6	18.4	5.2
1956	30.7	80.8	111.5	34.0	23.4	10.6
1957	19.8	77.5	97.3	24.8	18.5	6.3
1958	16.1	72.5	88.6	25.0	17.5	7.5
1959	19.3	63.6	82.9	21.9	16.4	5.5
1960	18.2	61.0	79.2	22.0	17.3	4.7
1961	20.6	57.2	77.8	22.6	17.9	4.7
1962	22.5	55.2	77.7	19.5	16.5	3.0
1963	24.2	58.2	82.4	21.2	18.1	3.1
1964	22.7	61.2	83.9	22.0	18.0	4.0
1965 2/	*18.5	61.9	80.4			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on February 28, 1966 4/	
			Quantity	Percentage of crop		
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1955	31.8	30.8	6.3	22.7	0	
1956	34.0	32.1	6.6	21.5	0	
1957	36.1	34.5	3.0	15.2	0.1	
1958	38.4	34.5	.5	2.7	.1	
1959	34.5	34.5	3.7	19.2	1.9	
1960	37.4	34.5	2.2	12.2	.9	
1961	37.8	34.5	1.9	9.2	.5	
1962	36.2	34.8	4.1	18.2	3.6	
1963	33.3	35.2	8.3	34.3	7.7	
1964	37.0	35.5	3.7	16.3	3.7	
1965	*37.0	35.9	3.2	17.3	3.2	
1966		36.6				
Total	---	---	43.5	---	21.7	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

\* Indicated by sales data.

Table 23.--Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	3.3	4.2	7.5	2.9	2.1	0.8
1956	3.2	4.6	7.8	2.5	1.9	.6
1957	2.7	5.3	8.0	2.5	1.9	.6
1958	1.9	5.5	7.4	2.5	2.2	.3
1959	2.2	4.9	7.1	1.9	1.6	.3
1960	1.8	5.2	7.0	2.0	1.7	.3
1961	2.2	5.0	7.2	2.1	1.8	.3
1962	2.3	5.1	7.4	2.3	2.0	.3
1963	1.1	5.1	6.2	2.0	1.7	.3
1964	1.8	4.2	6.0	1.7	1.4	.3
1965 2/	2.0	4.3	6.3			
	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on February 28, 1966	
			Quantity	Percentage of crop		
	Ct.	Ct.	1,000 lb.	Pct.	1,000 lb.	
1955	25.3	30.8	72	2.2	0	
1956	35.7	32.1	103	3.2	0	
1957	34.0	34.5	11	.4	0	
1958	36.8	34.5	29	1.5	0	
1959	34.4	34.5	24	1.1	0	
1960	37.9	34.5	4	.2	0	
1961	39.8	34.5	7	.3	0	
1962	37.4	34.8	59	2.6	0	
1963	31.4	35.2	92	8.1	0	
1964	41.2	35.5	16	.9	0	
1965	*39.5	35.9	52	2.6	0	
1966		36.6				
Total	---	---	469	---	0	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

\* Indicated by sales data.



During the first third of the current marketing year (October 1965-January 1966), exports of One Sucker leaf were about a fourth larger than a year earlier. Belgium and the Republic of the Congo accounted for most of the total. The quantity going to South Vietnam was sharply lower than a year ago. Exports of Green River leaf dropped 57 percent below the relatively large total in October 1964-January 1965. Shipments to the Republic of the Congo were less than a fourth of those a year earlier. The United Kingdom increased its takings appreciably; some also went to Australia, but none was reported exported to South Vietnam, in contrast with a significant quantity a year earlier.

A large portion of U. S. exports of dark air-cured tobacco is made in the form of Black Fat--a semi-processed product. In October 1965-January 1966, these exports were 26 percent ahead of those a year earlier (affected by the dock strike in January 1965). Nigeria, leading outlet, reduced takings a little, but more than a year earlier went to Ghana, West Africa, Cameroon, and Togo.

#### Cigar Tobacco, Types 41-62

##### Prices and Price Supports

The Government overall price support for 1966 crops of Connecticut Valley binder (types 51-52) is 42.0 cents a pound, compared with 41.2 cents in 1965. The overall price support for the cigar filler and binder types 42-44 and 54-55 (practically all grown in Wisconsin and Ohio) for 1966 is 30.3 cents per pound, compared with 29.7 cents in 1965. For Puerto Rican tobacco it is 31.5 cents compared with 30.9 cents for 1965. The 1966 levels are about 2 percent higher than for 1965. Growers of Connecticut Valley types 51-52 and Ohio-Wisconsin types 42-44 and 54-55 approved marketing quotas on their 1966, 1967, and 1968 crops in 2 separate referendums held February 10. (See table 15.) Therefore, Government price support will be available for these tobaccos on their next 3 crops.

For sales through mid-March, the average price of Northern Wisconsin tobacco (type 55) averaged about  $29\frac{1}{2}$  cents per pound--about 6 cents lower than for the 1964 crop. Prices of Southern Wisconsin tobacco (type 54) averaged about 30 cents per pound--2 cents per pound under the 1964 crop average. About 1.8 million pounds of Northern Wisconsin tobacco and 140,000 pounds of Southern Wisconsin tobacco were placed under Government loan. In the Connecticut Valley, about 0.9 million pounds of Broadleaf and 0.5 million pounds of Havana Seed were placed under Government loan.

Official season average prices for the 1965 cigar tobacco crops will not be available until May 10.

##### 1966 Cigar Filler and Binder Allotments

On January 14, the 1966 acreage allotments for Connecticut Valley types 51-52 and Ohio filler-Wisconsin binder types 42-44 and 54-55 were announced. The 1966 acreage allotment for types 51-52 is 4,530 acres compared with 5,700 in 1965; the 1966 acreage allotment for types 42-44 and 54-55 is 20,300 acres

Table 24.--Cigar tobacco price support operations, quantities placed under loan, 1955-65, and remaining under loan February 28, 1966

Crop	Quantities placed under loan						Total
	Puerto Rican, type 46	Ohio, types 42-44	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	2.8	0.8	7.8	5.2	0.4	3.1	20.1
1956	1.5	.4	1.7	1.6	.1	.9	6.2
1957	2.0	.1	2.5	.4	0	.3	5.3
1958	2.0	0	.3	.1	0	.1	2.5
1959	1.8	0	1.5	.2	.9	<u>1/</u>	4.4
1960	.9	0	1.6	2.6	3.2	3.2	11.5
1961	.4	0	.8	1.9	1.5	4.5	9.1
1962	.7	.1	.2	1.4	.3	4.4	<u>2/</u> 7.1
1963	.6	.6	.2	1.3	1.0	3.1	6.8
1964	0	.1	.1	1.0	<u>1/</u>	.8	2.0
1965	<u>3/</u>	0	.9	.5	.1	1.8	3.3
Total	12.7	2.1	17.6	16.2	7.5	22.2	<u>2/</u> 78.3
Remaining under loan as of February 28, 1966							
1960	0	0	0	.2	0	0	.2
1961	0	0	0	.6	0	0	.6
1962	0	0	0	.5	0	0	.5
1963	0	0	.1	.3	0	0	.4
1964	0	0	.1	.7	0	.3	1.1
1965	<u>3/</u>	0	.9	.5	.1	1.8	3.3
Total	0	0	1.1	<u>4/</u> 2.9	.1	2.1	<u>4/</u> 6.2

1/ Negligible. 2/ Includes negligible amount from the 1962 crop of New York and Pennsylvania Havana Seed (type 53). 3/ Not yet marketed. 4/ Includes about 100,000 pounds of 1957 crop of type 52.

compared with 20,610 in 1965. The 1966 allotments for individual farms that have planted at least 75 percent of their allotments in recent years are the same as for last year.

### Supplies

Filler: Total 1965-66 supplies of Pennsylvania filler are smallest in 4 years but above previous years back to 1951-52. According to March 1 growers' intentions, the 1966 acreage would be 7 percent below that harvested in 1965, and smallest since 1952. Based on an average yield adjusted for trend, 1966 production could approximate  $45\frac{3}{4}$  million pounds--roughly 2 million less than the 1965 crop, and perhaps the smallest since 1957.

The 1965-66 supply of Ohio filler is second lowest on record. The 1966 prospective acreage is about  $5\frac{1}{2}$  percent below each of the 2 preceding years. Based on an average yield adjusted for trend, this year's production might top 6 million pounds--slightly below 1965 and second smallest in 8 years.

The January 1, 1966 stocks of Puerto Rican tobacco were the largest for the date since 1948. If the crop planted in late 1965 for harvest in early 1966 is near the reduced quota level set by the Puerto Rican Government, the crop will be down about two-fifths from the unusually big crop of a year earlier.

Imported Cigar Tobacco: In 1965, about 84 million pounds (farm-sales weight equivalent) of foreign cigar tobacco arrived in the United States--about 25 million less than in 1964 but 30 million more than in 1963. Only 6 million pounds--about one-fifth as much as in 1964--came from the Dominican Republic, the leading source in 1964. On the other hand, arrivals from the Philippine Republic, at about 43 million pounds, jumped over 50 percent from 1964. Quantities coming from Brazil and Colombia, at 11 million and 8 million pounds, respectively, were down 17 and 59 percent, respectively. There were also decreases in arrivals from Indonesia, Argentina, and Jamaica, but increases from Mexico, Paraguay, and Honduras.

January 1, 1966, stocks of foreign cigar tobaccos in the United States, at 126 million pounds (farm-sales weight), were about 10 percent above a year earlier and 70 percent above 2 years earlier. Stocks of Philippine tobacco jumped sharply in the past year but stocks of Dominican and Colombian tobacco dropped. Stocks of Brazilian tobacco showed a notable rise and nearly equaled the volume of Dominican and Colombian stocks. The stocks of foreign-grown cigar tobaccos owned by U.S. manufacturers and dealers on January 1, 1966, compared with 1 and 2 years earlier, were as follows:

Country of origin	January 1 stocks--farm-sales weight		
	1964	1965	1966
	Mil. lb.	Mil. lb.	Mil. lb.
Philippines	16.7	28.0	47.6
Dominican Republic	10.7	23.5	15.8
Colombia	9.7	17.7	15.7
Brazil	5.5	12.0	15.6
Cuba	21.9	14.5	9.0
Indonesia	3.1	7.1	6.9
Paraguay	3.0	3.5	4.8
Other	3.2	7.6	10.8
Total	73.8	113.9	126.2



Table 25.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance <u>1/</u>			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Pennsylvania Seedleaf (type 41)							
1955	45.7	113.0	158.7	55.0	54.6	0.4	24.5
1956	48.4	103.7	152.1	46.8	46.6	.2	24.0
1957	41.2	105.3	146.5	42.8	42.7	.1	20.5
1958	51.0	103.7	154.7	50.4	50.1	.3	28.0
1959	53.5	104.3	157.8	48.1	48.0	.1	31.5
1960	52.7	109.7	162.4	47.5	47.4	.1	28.0
1961	53.5	114.9	168.4	45.5	45.4	.1	27.0
1962	60.0	122.9	182.9	<u>2/</u> 52.0	<u>2/</u> 51.7	.3	23.5
1963	51.8	128.0	179.8	<u>2/</u> 44.7	44.2	.5	21.0
1964	45.9	138.1	184.0	54.6	54.1	.5	27.0
1965 <u>3/</u>	48.6	129.4	178.0				
Ohio, Miami Valley (types 42-44)							
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.3	23.2	29.5	6.4	6.4		22.0
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.5	20.5	23.0	5.9	5.9		24.2
1959	6.9	17.1	24.0	6.5	6.5		27.3
1960	6.6	17.5	24.1	6.5	6.5		28.1
1961	7.7	17.6	25.3	5.1	5.1		28.3
1962	7.5	20.2	27.7	6.6	6.6		28.2
1963	6.8	21.1	27.9	8.7	8.7		27.1
1964	5.8	19.2	25.0	8.0	8.0		26.7
1965 <u>3/</u>	6.3	17.0	23.3				
Puerto Rico (type 46) <u>4/</u>							
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	32.8	31.6	1.2	30.0
1959	28.1	42.4	70.5	26.7	26.2	.5	31.6
1960	27.5	43.8	71.3	28.0	27.9	.1	33.7
1961	30.7	43.3	74.0	32.4	32.3	.1	36.8
1962	35.6	41.6	77.2	28.0	28.0	---	38.0
1963	32.0	49.2	81.2	29.8	29.6	.2	40.8
1964	37.9	51.4	89.3	26.7	26.7	---	<u>5/</u> 37.2
1965 <u>3/</u>	<u>4/</u> 23.0	62.6	85.6				

1/ Year beginning October 1.2/ Adjusted to take into account 1962 tobacco still held at the farm level at end of 1962-63 marketing year.3/ Subject to revision.4/ Quota set by Commonwealth Government of Puerto Rico.5/ Tentative.

Table 26.--Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Connecticut Valley Broadleaf (type 51)							
1955	12.1	33.4	45.5	14.7	14.3	0.4	44.9
1956	7.5	30.8	38.3	12.8	11.3	1.5	59.0
1957	5.1	25.5	30.6	8.4	7.7	.7	50.0
1958	3.6	22.2	25.8	5.8	5.6	.2	54.0
1959	4.5	20.0	24.5	4.1	3.9	.2	45.0
1960	3.6	20.4	24.0	4.6	4.3	.3	44.0
1961	3.1	19.4	22.5	3.7	3.6	.1	43.3
1962	2.9	18.8	21.7	6.2	6.0	.2	53.5
1963	3.7	15.5	19.2	4.6	4.3	.3	51.0
1964	3.8	14.6	18.4	3.7			50.0
1965 2/	3.7	14.7	18.4				
Connecticut Valley Havana Seed (type 52)							
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957	3.2	20.2	23.4	7.5	6.3	1.2	44.9
1958	1.8	15.9	17.7	3.2	2.6	.6	49.4
1959	3.2	14.5	17.7	4.9	4.2	.7	41.2
1960	3.2	12.8	16.0	4.2	2.4	1.8	42.5
1961	2.4	11.8	14.2	3.2	2.1	1.1	40.6
1962	2.4	11.0	13.4	3.3	2.6	.7	42.5
1963	2.2	10.1	12.3	4.0	2.7	1.3	41.6
1964	1.9	8.3	10.2	3.6			43.8
1965 2/	1.5	6.6	8.1				
Total Connecticut Valley (types 51-52)							
1955	22.0	56.7	78.7	26.3	24.4	1.9	40.4
1956	13.3	52.4	65.7	20.0	17.0	3.0	51.7
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2
1958	5.4	38.1	43.5	9.0	8.2	.8	52.4
1959	7.7	34.5	42.2	9.0	8.1	.9	42.6
1960	6.8	33.2	40.0	8.8	6.5	2.3	43.3
1961	5.5	31.2	36.7	6.9	5.7	1.2	42.1
1962	5.3	29.8	35.1	9.5	8.6	.9	48.5
1963	5.9	25.6	31.5	8.6	7.0	1.6	47.5
1964	5.7	22.9	28.6	7.3	5.2	2.1	47.9
1965 2/	5.2	21.3	26.5				

1/ Year beginning October 1.

2/ Subject to revision.

Table 27.--Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks, October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Southern Wisconsin (type 54)							
1955	6.7	29.0	35.7	10.3	9.9	0.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957	7.6	21.0	28.6	8.6	8.2	.4	31.1
1958	8.8	20.0	28.8	8.0	7.6	.4	34.6
1959	9.2	20.9	30.1	8.0	7.7	.3	29.3
1960	8.6	22.2	30.8	7.5	7.3	.2	28.0
1961	9.0	23.3	32.3	9.0	8.9	.1	28.7
1962	8.7	23.3	32.0	7.7	7.6	.1	29.3
1963	8.3	24.3	32.6	9.7	9.7	3/	30.0
1964	8.7	22.9	31.6	8.9			32.2
1965 2/	8.9	22.7	31.6				
Northern Wisconsin (type 55)							
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	13.0	26.6	39.6	14.4	12.1	2.3	35.2
1959	11.6	25.3	36.9	12.4	11.5	.9	37.1
1960	12.3	24.4	36.7	11.3	10.9	.4	30.6
1961	13.4	25.4	38.8	11.0	10.6	.4	29.6
1962	10.9	27.8	38.7	11.1	10.9	.2	29.1
1963	9.7	27.6	37.3	12.5	12.5	3/	31.6
1964	11.2	24.8	36.0	9.2			35.8
1965 2/	10.5	26.8	37.3				
Total Wisconsin (types 54-55)							
1955	21.0	59.9	80.9	23.7	23.0	.7	24.1
1956	20.2	57.2	77.4	24.8	24.4	.4	29.3
1957	19.8	52.6	72.4	25.8	23.3	2.5	32.6
1958	21.8	46.6	68.4	22.4	19.7	2.7	35.0
1959	20.8	46.2	67.0	20.4	19.2	1.2	33.7
1960	20.9	46.6	67.5	18.8	18.2	.6	29.5
1961	22.4	48.7	71.1	20.0	19.5	.5	29.2
1962	19.6	51.1	70.7	18.9	18.6	.3	29.2
1963	18.0	51.9	69.9	22.2	22.2	3/	30.9
1964	19.9	47.7	67.6	18.1	17.5	.6	34.2
1965 2/	19.4	49.5	68.9				

1/ Year beginning October 1.

2/ Subject to revision.

3/ Negligible.



Binder: Total 1965-66 supplies of Connecticut Valley binder types are lowest on record. Based on farmers' intentions as of March 1, the prospective acreage is about the same as last year's record low. Allowing for trend in average yields per acre, production of the Connecticut Valley types may be slightly larger than the 5.2 million pounds harvested in 1965.

Total 1965-66 supplies of Wisconsin tobacco are second lowest in 5 years; type 54 supply is about even with a year earlier, but type 55 supply is up a little. The 1966 intended acreage in Southern Wisconsin about equals 1965 harvested acreage, but in Northern Wisconsin is down about 3 percent. Based on average yields adjusted for trend, the 1966 production may be only a little less than the 19 $\frac{1}{2}$  million pounds harvested in 1965.

Wrapper: Total 1965-66 supplies of shade-grown cigar wrapper are slightly larger than in the prior 2 years--the Connecticut Valley type is second largest on record but the Georgia-Florida type is lowest in 6 years. Prospective 1966 acreage in the Connecticut Valley is only 2 percent below last year's harvested acreage, but intended acreage in Georgia-Florida is down 10 percent from the record high of 1965. Based on average yields adjusted for trend, 1966 production in both areas combined would total about 22.6 million pounds--around 1 $\frac{1}{2}$  percent below the record level of 1965.

#### Domestic Use and Exports

Filler: Disappearance of U. S. filler types, at about 89 million pounds in the year ended September 30, 1965, was about 6 million pounds more than a year earlier. The increase in the use of Pennsylvania filler over the unusually low figure of the previous year more than offset decreases in use of the Ohio and Puerto Rican types. (See table 25.) During October 1965-January 1966, exports of filler tobacco, at about 575,000 pounds (farm-sales weight), more than doubled--the main outlets being South Vietnam and Britain.

Imported Tobacco: Use of imported cigar tobacco in the year ended September 30, 1965, at about 77 million pounds (farm-sales weight equivalent), was about 5 million pounds more than a year earlier. Principal increases were in the use of Philippine, Brazilian, and Mexican tobaccos; principal decreases from a year earlier were in the use of Colombian and Cuban tobaccos (Cuban from stocks brought here prior to the embargo); there was a slight decrease in the use of Dominican tobacco.

During October 1965-January 1966, imports of cigar tobacco for consumption dropped sharply below that of the corresponding period of a year earlier. There were declines from all major sources but increases in imports from Paraguay, Mexico, Honduras, and Jamaica. At the rate of usings during the final quarter of 1965, stocks of Cuban tobacco in the United States would be virtually exhausted by mid-1967.

Binder: Disappearance of U. S. Connecticut Valley binder types, at 7.3 million pounds in the year ended September 30, 1965, was second lowest on record; domestic use was a record low but exports were second largest in 8

Table 28.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods

Year	(Farm-sales weight)						
	Production	Stocks, July 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Shade-grown (type 61)							
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957	11.8	11.4	23.2	10.1			205.0
1958	10.2	13.1	23.3	10.3	6.9	3.4	235.0
1959	10.7	13.0	23.7	8.6	6.1	2.5	210.0
1960	12.0	15.1	27.1	11.4	8.9	2.5	190.0
1961	10.3	15.7	26.0	12.2	8.9	3.3	235.0
1962	11.9	13.8	25.7	12.0	9.2	2.8	250.0
1963	12.0	13.7	25.7	14.2	10.1	4.1	260.0
1964	13.5	11.5	25.0	13.2	10.1	3.1	250.0
1965 <u>2/</u>	14.6	11.8	26.4				
Georgia-Florida Shade-grown (type 62)							
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957	7.1	7.1	14.2	6.7			190.0
1958	6.3	7.5	13.8	6.5	4.6	1.9	185.0
1959	7.8	7.3	15.1	7.5	6.1	1.4	195.0
1960	9.3	7.6	16.9	6.5	5.5	1.0	200.0
1961	8.8	10.4	19.2	9.2	6.6	2.6	190.0
1962	7.4	10.0	17.4	8.5	6.4	2.1	205.0
1963	6.7	8.9	15.6	7.6	5.3	2.3	205.0
1964	7.6	8.0	15.6	8.8	7.6	1.2	235.0
1965 <u>2/</u>	8.3	6.8	15.1				
Total Shade-grown (types 61-62)							
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.5	20.6	37.1	16.8	11.5	5.3	216.0
1959	18.5	20.3	38.8	16.1	12.2	3.9	204.0
1960	21.3	22.7	44.0	17.9	14.4	3.5	194.0
1961	19.1	26.1	45.2	21.4	15.5	5.9	214.0
1962	19.3	23.8	43.1	20.5	15.6	4.9	233.0
1963	18.7	22.6	41.3	21.8	15.4	6.4	240.0
1964	21.1	19.5	40.6	22.0	17.7	4.3	245.0
1965 <u>2/</u>	22.9	18.6	41.5				

1/ Year beginning July 1.2/ Subject to revision.

years mainly due to a sizable shipment to Spain. In October 1965-January 1966, exports of Connecticut Valley binder were nearly double those a year earlier due mainly to larger shipments to West Germany and Canada. Disappearance of Wisconsin tobacco in 1964-65, at 18.1 million pounds, was the smallest in many years--over 4 million less than the above-average figure of a year earlier. Exports, accounting for about 3 percent of total disappearance, were up from the negligible quantity of a year earlier mainly due to a sizable shipment to East Germany.

Wrapper: In July 1964-June 1965, total disappearance of shade-grown wrapper, at 22 million pounds, reached a new high due to increased domestic use of the Georgia-Florida type. Domestic use of Connecticut Valley wrapper held even with a year earlier. The 1964-65 exports of wrapper--accounting for a fifth of total disappearance--declined to its lowest level in 4 years, the sharpest drop occurring in the Georgia-Florida type.

During July 1965-January 1966, exports of Connecticut Valley wrapper were 29 percent ahead of the year-earlier period. Sharply increased shipments went to the United Kingdom, Finland, East Germany, and Canary Islands and there were also increases to Canada, West Germany, and the Netherlands. On the other hand, exports of Georgia-Florida wrapper were down 35 percent from the year-earlier period--mainly due to much less going to Germany, the leading outlet. Canada, Canary Islands, the Netherlands, and Belgium took more but none was reported for Denmark and Sweden, each of which took some a year earlier.

:	:
:	:
:	The <u>Tobacco Situation</u> is published March,
:	June, September and December.
:	:
:	:
:	The next issue is scheduled for release
:	June 30, 1966.
:	:
:	:



Table 29.--Acreage of tobacco in the United States, by class and type, average 1953-57 and 1958-62, annual 1963-66 and percentages

Class and type	Average: 1953-57	Average: 1958-62	1963	1964	1965 <u>1/</u>	1966 <u>2/</u>	Percent- age change 1964 to 1965
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent
Old and Middle Belt, type 11	326.8	248.9	251.0	227.0	202.8	212.0	4.5
Eastern North Carolina, type 12	296.4	223.6	223.0	202.0	182.0	202.0	11.0
South Carolina, type 13	184.2	135.8	135.5	122.0	112.0	117.5	4.9
Georgia and Florida, type 14	111.1	82.3	85.0	76.6	65.9	75.1	14.0
Total flue-cured, types 11-14	918.5	690.6	694.5	627.6	562.7	606.6	7.8
Virginia, type 21	8.9	7.4	6.6	7.3	7.6	7.4	- 2.6
Kentucky and Tennessee, type 22	27.0	19.6	19.8	17.8	16.7	15.7	- 6.0
Kentucky and Tennessee, type 23	10.5	7.2	7.9	7.0	6.6	6.1	- 7.6
Total fire-cured, types 21-23	46.4	34.2	34.3	32.1	30.9	29.2	- 5.5
Burley, type 31	353.6	310.2	338.5	306.6	277.2	241.2	-13.0
Maryland, type 32	44.5	38.5	34.5	39.0	33.5	34.0	1.5
One Sucker, type 35	12.8	8.9	9.2	8.1	7.5	7.1	- 5.3
Green River, type 36	6.8	4.4	4.6	4.3	3.8	3.5	- 7.9
Virginia sun-cured, type 37	3.5	1.9	1.5	1.7	1.8	1.6	-11.1
Total dark air-cured, types 35-37	23.1	15.2	15.3	14.1	13.1	12.2	- 6.9
Pennsylvania Seedleaf, type 41	28.5	30.6	28.0	27.0	27.0	25.0	- 7.4
Miami Valley, types 42-44	4.2	4.0	3.9	3.7	3.7	3.5	- 5.4
Total cigar filler, types 41-44	32.7	34.6	31.9	30.7	30.7	28.5	- 7.2
Connecticut Valley Broadleaf, type 51	6.3	2.0	1.8	1.9	1.9	1.9	0
Connecticut Valley Havana Seed, type 52	4.5	1.3	1.0	.9	.7	.7	0
Southern Wisconsin, type 54	4.6	5.4	4.6	4.6	4.7	4.7	0
Northern Wisconsin, type 55	8.8	8.2	6.1	6.3	6.2	6.0	- 3.2
Total cigar binder, types 51-55	24.2	16.9	13.5	13.7	13.5	13.3	- 1.5
Connecticut Valley Shade-grown, type 61	8.0	8.0	7.8	8.4	9.3	9.1	- 2.2
Georgia and Florida Shade-grown, type 62	4.9	5.6	5.1	5.4	6.3	5.7	- 9.5
Total cigar wrapper, types 61-62	12.9	13.6	12.9	13.8	15.6	14.8	- 5.1
Louisiana Perique, type 72	.3	.3	.3	.2	.3	.3	0
Total all types	1,456.2	1,154.1	1,175.7	1,077.8	977.5	980.1	.3

1/ Subject to revision.2/ Farmers' intentions as of March 1.

Table 30.--Cash receipts from farm marketings and tobacco, average 1950-54, annual 1955-65 with percentages

Period	Cash receipts				Tobacco as a percentage of--	
	Livestock and products	All crops	Total farm	Tobacco	All crops	Total cash receipts
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Pct.	Pct.
Average: 1950-54	17,586	13,467	31,053	1,119	8.3	3.6
1955	15,837	13,427	29,264	1,225	9.1	4.2
1956	16,250	14,122	30,372	1,162	8.2	3.8
1957	17,363	12,461	29,824	971	7.8	3.3
1958	19,301	14,259	33,560	1,020	7.2	3.0
1959	18,855	14,291	33,146	1,060	7.4	3.2
1960	18,937	15,076	34,013	1,154	7.7	3.4
1961	19,415	15,828	35,243	1,325	8.4	3.8
1962	20,013	16,064	36,077	1,321	8.2	3.7
1963	19,880	17,046	36,926	1,269	7.4	3.4
1964	19,764	17,135	36,899	1,414	8.3	3.8
1965 <u>1/</u>	21,787	17,143	38,930	1,184	6.9	3.0

1/ Preliminary.

Table 31.--Total expenditures for tobacco products, 1946-65

Year	Total	Cigarettes	Cigars	Other <u>1/</u>	Year	Total	Cigarettes	Cigars	Other <u>1/</u>
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.		Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
1946	3,478	2,656	542	280	1956	5,481	4,681	556	244
1947	3,869	3,044	547	278	1957	5,877	5,072	562	243
1948	4,143	3,307	548	288	1958	6,182	5,341	584	257
1949	4,246	3,437	520	289	1959	6,764	5,854	629	281
1950	4,392	3,586	514	292	1960	7,187	6,244	649	294
1951	4,685	3,876	526	283	1961	7,472	6,538	631	303
1952	5,073	4,246	545	282	1962	7,608	6,675	634	299
1953	5,264	4,436	560	268	1963	7,986	7,041	643	302
1954	5,104	4,292	552	260	1964	8,048	6,987	742	319
1955	5,217	4,409	550	258	1965 <u>2/</u>	8,590	7,580	705	305

1/ Smoking, chewing, and snuff. 2/ Preliminary. Note: These series on expenditures supersede those in table 31, page 58, March 1965 Tobacco Situation.

Table 32.--Federal and State tax revenues from tobacco products for specified periods

Period	Federal				States <u>2/</u>	
	Cigarettes	Cigars	Chewing, smoking, and snuff	Total <u>1/</u>	All tobacco products <u>3/</u>	Total Federal and State
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
Average: 1950-54	1,445	45	28	1,518	471	1,989
1955	1,530	46	20	1,596	500	2,096
1956	1,576	45	18	1,639	573	2,212
1957	1,639	46	18	1,704	614	2,318
1958	1,750	49	18	1,817	673	2,490
1959	1,792	51	17	1,860	841	2,701
1960	1,887	50	17	1,955	998	2,953
1961	1,950	50	17	2,019	1,070	3,094
1962	1,961	50	16	2,030	1,130	3,160
1963	2,047	51	17	2,116	1,225	3,341
1964	1,987	62	18	2,069	1,264	3,333
1965 <u>4/</u>	2,014	58	16	2,090	<u>5/</u> 1,480	3,570

1/ Includes leaf dealer penalties, floor taxes, cigarette papers and tubes, etc. 2/ Includes District of Columbia. 3/ In postwar years cigarette taxes have accounted for about 98 percent of State tobacco tax revenues. 4/ Preliminary. 5/ Estimated. General note: Local government taxes from tobacco products in fiscal year 1964-65 totaled over \$65 million.

Compiled from reports of the Internal Revenue Service, The National Tobacco Tax Association, and other sources.

## STATISTICAL SUMMARY

Item	Unit or base period	1965		1966		Last data as percentage of a year earlier
		Jan.	Feb.	Jan.	Feb.	
Average price at auctions						
Flue-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---
Burley	Ct. per lb.	56.7	Closed	63.8	59.8	113
Maryland	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d		---
Virginia fire-cured	Ct. per lb.	43.6	35.4	39.1	35.0	99
Ky.-Tenn. fire-cured	Ct. per lb.	40.1	40.3	42.0	43.3	107
Ky.-Tenn. dark air-cured	Ct. per lb.	37.0	Closed	36.2	Closed	98
Virginia sun-cured	Ct. per lb.	41.7	Closed	40.1	Closed	96
Support price levels 1/						
Flue-cured	Ct. per lb.	57.7		58.8		102
Burley	Ct. per lb.	59.5		60.6		102
Maryland	Ct. per lb.	52.8		No support		---
Virginia fire-cured	Ct. per lb.	40.4		41.1		102
Ky.-Tenn. fire-cured	Ct. per lb.	40.4		41.1		102
Ky.-Tenn. dark air-cured	Ct. per lb.	35.9		36.6		102
Virginia sun-cured	Ct. per lb.	35.9		36.6		102
Connecticut Valley cigar binder	Ct. per lb.	41.2		42.0		102
Wis. binder and Ohio filler	Ct. per lb.	29.7		30.3		102
Puerto Rican filler	Ct. per lb.	30.9		31.5		102
Parity index 2/	:1910-14=100	317	318	327	329	103
Industrial production index 3/	:1957-59=100	139	139	150	151	109
Employment	: Mil.	69.0	69.5	71.2	71.6	103
Personal income 4/	: Bil. dol.	515.4	515.2	552.3	556.3	108
		1964-65		1965-66		
		Dec.	Jan.	Nov.	Dec.	Jan.
Taxable removals						
Cigarettes	: Bil.	39.9	39.1	43.4	37.7	39.4
Cigars and cigarillos	: Mil.	517.6	635.3	788.1	533.3	604.7
Smoking tobacco	: Mil. lb.	5.7	5.7	5.1	3.5	( monthly )
Chewing tobacco	: Mil. lb.	5.0	5.3	5.1	4.2	( data )
Snuff	: Mil. lb.	2.6	2.1	2.5	2.3	( terminated )
Accumulated from Jan. 1						
Cigarettes	: Bil.	497.4		473.7	511.5	
Cigars and cigarillos	: Mil.	8,959.2		7,979.7	8,513.0	
Smoking tobacco	: Mil. lb.	79.0		63.8	67.3	
Chewing tobacco	: Mil. lb.	65.5		59.7	63.9	
Snuff	: Mil. lb.	31.3		27.2	29.5	
Tax-exempt removals						
Cigarettes	: Bil.	4.6	2.1	3.7	4.1	4.1
Exports	: Bil.	2.8	.7	1.7	2.3	1.5
Cigars and cigarillos	: Mil.	12.9	11.5	14.9	13.8	17.7
Smoking tobacco	: Mil. lb.	.3	.1	.2	.3	( monthly data )
Chewing tobacco	: Mil. lb.	*	*	.1	.1	( terminated )
Accumulated from Jan. 1						
Cigarettes	: Bil.	42.6		40.2	44.2	
Exports	: Bil.	25.1		20.8	23.1	
Cigars and cigarillos	: Mil.	193.0		166.5	180.3	
Smoking tobacco	: Mil. lb.	3.4		2.7	3.0	
Chewing tobacco	: Mil. lb.	.5		.5	.6	
Wholesale price indexes 5/						
Cigarettes, reg. nonfilter	: 1957-59=100	109.5	109.5		109.5	109.5
Cigarettes, filter tip	: Jan.-1959=100	100.0	100.0		100.0	100.0
Cigars	: 1957-59=100	100.3	100.3		100.3	100.2
Smoking tobacco	: 1957-59=100	121.2	121.2		121.2	119.7
Plug chewing tobacco	: 1957-59=100	123.9	123.9		123.9	123.9
Snuff	: 1957-59=100	115.0	115.0		115.0	115.0
Consumer price indexes (urban) 6/						
Cigarettes, reg. nonfilter	: 1957-59=100	118.6			128.2	
Cigarettes, filter tip	: Mar. 1959=100	113.5			122.5	
Cigars, domestic, reg. size	: 1957-59=100	100.2			100.6	
Imports of tobacco						
Cigarette leaf	: Mil. lb.	4.5	17.0	12.5	8.8	11.8
Cigar tobacco 7/	: Mil. lb.	7.0	5.8	3.7	4.2	5.4
Accumulated from Jan. 1						
Cigarette leaf	: Mil. lb.	118.8		129.4	138.2	
Cigar tobacco 7/	: Mil. lb.	77.8		65.2	69.4	

See footnotes at end of Statistical Summary.

Continued -



## STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1964-65			1965-66			Last data as percentage of a year earlier
		Dec.	#Jan.	Nov.	Dec.	Jan.		
Exports of leaf tobacco								
(farm-sales weight)								
Flue-cured	Mil. lb.	64.3	4.5	67.2	61.2	30.7		#
Burley	Mil. lb.	6.8	.1	6.0	4.0	3.2		#
Maryland	Mil. lb.	1.6	*	1.2	.6	.5		#
Virginia fire- & sun-cured	Mil. lb.	.2	.1	.8	.6	1.5		#
Ky.-Tenn. fire-cured	Mil. lb.	4.0	.1	3.0	3.8	.4		#
Ky.-Tenn. dark air-cured	Mil. lb.	1.1	0	.4	.1	.1		#
Black Fat	Mil. lb.	.6	*	.1	.7	.3		#
Cigar wrapper	Mil. lb.	.2	.1	.4	.2	.3		#
Connecticut binder	Mil. lb.	.1	*	*	.2	.1		#
Wisconsin binder	Mil. lb.	.1	.3	*	.1	*		#
Accumulated from beginning of marketing year 8/								
Flue-cured	Mil. lb.	296.7	301.2	211.3	272.5	303.2		101
Burley	Mil. lb.	18.8	19.0	11.1	15.1	18.3		96
Maryland	Mil. lb.	3.7	3.8	4.1	4.7	5.2		137
Virginia fire- & sun-cured	Mil. lb.	1.0	1.0	1.6	2.1	3.6		360
Ky.-Tenn. fire-cured	Mil. lb.	7.4	7.4	8.2	12.0	12.4		168
Ky.-Tenn. dark air-cured	Mil. lb.	1.2	1.2	.8	.9	1.0		83
Black Fat	Mil. lb.	1.2	1.3	.7	1.3	1.6		123
Cigar wrapper	Mil. lb.	2.2	2.2	2.0	2.2	2.6		118
Connecticut binder	Mil. lb.	.2	.2	.2	.3	.4		200
Wisconsin binder	Mil. lb.	.1	.4	.1	.2	.2		50
Exports of manufactured tobacco in bulk	Mil. lb.	3.0	.1	2.0	2.4	.6		#
Accumulated from Jan. 1	Mil. lb.	12.3		11.0	13.4			109
Q u a r t e r l y d a t a								
		1964-65			1965-66			
		Oct.-Dec.	Jan.-Mar.		Oct.-Dec.	Jan.-Mar.		
Tobacco stocks--1st of quarter 2/								
Domestic types								
(farm-sales weight)								
Flue-cured	Mil. lb.	2,728	3,042	2,898	2,942			97
Burley	Mil. lb.	1,412	1,680	1,416	1,676			100
Maryland	Mil. lb.	90	82	99	90			110
Fire-cured	Mil. lb.	118	109	120	105			96
Dark air- and sun-cured	Mil. lb.	65	67	66	68			101
Cigar filler	Mil. lb.	209	188	209	184			98
Cigar binder	Mil. lb.	71	68	71	66			97
Cigar wrapper	Mil. lb.	25	27	27	26			96
Under Government loan 10/	Mil. lb.	1,173	1,372	1,329	1,288			94
Tobacco sheet 11/								
Cigarette types	Mil. lb.	4.7	5.3	7.7	9.2			174
Cigar types	Mil. lb.	2.3	2.8	2.4	2.5			89
Foreign types (farm-sales wt.)								
Cigarette and smoking	Mil. lb.	251	285	283	289			101
Cigar	Mil. lb.	97	114	128	126			111
Tobacco outlets 12/								
Seasonally adjusted data,								
annual rates, for charts, p.2:								
Cigarettes								
Production	Bil.	574	566	551	572			101
Taxable removals	Bil.	534	518	511	520			100
Cigar production	Bil.	9.26	8.99	8.42	8.38			93
Smoking production	Mil. lb.	77.8	75.5	70.7				91
Chewing production								
Scrap	Mil. lb.	33.9	35.0	33.8				100
Plug and other	Mil. lb.	33.1	30.7	30.6				92
Snuff production	Mil. lb.	32.0	31.5	30.2				94
Exports of leaf								
Total	Mil. lb.	606	335	619	631			188
Flue-cured	Mil. lb.	459	274	452	557			203

1/ 1965 and 1966 crops respectively. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ As of June: applicable taxes included. 7/ Farm-sales weight equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates. \*Less than 50,000 pounds. #January 1965 exports were small because of dock strike.

Index of Special Items, Tables, and Charts in 1965 Issues of the Tobacco Situation

Each issue of the Tobacco Situation carries discussion and standard statistical tables which cover (1) cigarettes, cigars, and other manufactured tobacco products, (2) exports, foreign production and United Kingdom data, (3) imports and (4) each of the different kinds of leaf tobacco. The discussion and regular tables contain current estimates and comparable data for earlier years. Also included in each issue are 6 standard charts that depict recent trends in manufactured tobacco products and leaf tobacco exports. In addition, various issues of the Tobacco Situation contain special items, special-purpose tables and charts; the following index provides references to such material published during calendar year 1965:

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